

Britain behind Germany

Britain's system of training people for skills is failing the needs of modern industry and holding back economic growth, according to a new study. The conclusion is made on the basis of a detailed comparison with the system in West Germany.

Only 30 per cent of British workers have vocational qualifications at an intermediate level (excluding university degrees) such as apprenticeships or City and Guilds certificates, compared with 60 per cent of German workers. Even when degrees are included, two-thirds of the British labour force have no vocational qualifications whatever compared with a third in West Germany.

This huge discrepancy is reflected in virtually every branch of industry. With the single exception of professional and scientific services, German industry employs more or less double the proportion of qualified workers.

Arab acrimony as summit fails

Bitterness and anger characterized Arab reaction to the collapse of the summit in Fez, Israel gloated at the unreserved defeat for Saudi attempts to rally the Middle East behind Crown Prince Fahd's eight peace proposals. The debacle further polarizes the pro-Western and pro-Soviet Arab camps.

Laker forecasts a £15m profit

Sir Freddie Laker's beleaguered airline is heading for a £15m profit in the next financial year, it was announced yesterday. Airlines generally, after the worst slump for years, are "turning the corner". Sir Freddie said at the opening of a new Laker sales outlet in Glasgow.

Private armies condemned

The creation of self appointed armies in Northern Ireland was attacked by Mr Jack Hermon, Chief Constable of the Royal Ulster Constabulary. He said that they were a threat to the fabric of society and would not be allowed to usurp the authority of the police or the Army.

55 years' jail for drugs gang

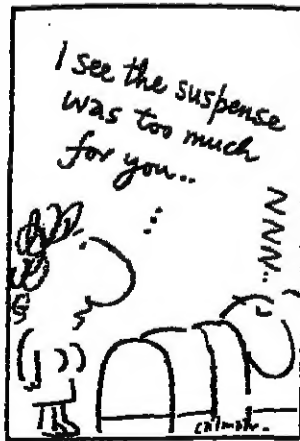
Thirteen men involved in Britain's biggest cannabis smuggling gang were jailed at the Central Criminal Court for a total of 55 years and fined more than £675,000. The gang was broken by police and customs in an investigation codenamed Operation Cymru.

Begin breaks leg in fall

Mr Menachem Begin, the Israeli Prime Minister, fractured his left thigh in a fall in his Jerusalem residence. He underwent surgery and a hospital official said Mr Begin, who is 68, would recover after a few weeks in hospital.

Russia puts up energy prices

The Soviet Union has announced rises in the wholesale prices of fuel and raw materials from January 1. Shop prices are not immediately affected. The announcement was made during the interval of an important ice hockey match.



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Leading articles: E M S: Fez Features, page 14
Why the superpowers are now listening to Europe; Ronald Butt suggests a new bend for the Government
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The Rev Norman Dawson, Mr Norman Leyland

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SDP wins first parliamentary election

Williams topples Tory 19,000 majority in victory at Crosby

By Julian Haviland, Political Editor

Mrs Shirley Williams, the Social Democrat and Liberal Alliance candidate, was declared the winner of the Crosby by-election early this morning after a campaign which destroyed a Conservative majority of more than 19,000. Mrs Williams's triumphant return to the Commons, two and a half years after her defeat at Hertford and Stevenage in the 1979 general election, confirmed the evidence of past parliamentary and local by-elections that the Social Democrats and the Liberals in combination have now established themselves as a menace to both the other major parties in almost every corner of the land.

For the Conservative, Mr John Butcher, a 39-year-old accountant, the achievement of being elected three weeks ago from a field of 180 to inherit an apparently gilt-edged seat, turned last night to disaster. But since he campaigned squarely on the Government's record with total loyalty to his party leadership, Mr Butcher has the consolation of knowing that his humiliation is shared by the entire Government.

The Labour Party, by selecting an inexperienced and far-left candidate for a middle-class constituency, ensured that they would slip from second place in 1979 to a weak third place. Their man, Mr John Backhouse, 38-year-old teacher of mathematics, campaigned unwaveringly on policies laid down by the Labour Party conference. So his failure, like Mr Butcher's, represents a rejection by his party's present course.

In both Conservative and Labour ranks at Westminster there are MPs already preparing to use the Crosby result to put new pressure upon the two party leaders—on Mrs Margaret Thatcher to relax Treasury policies and on Mr Michael Foot to secure unity between Labour's left and right.

Mrs Williams, who was Secretary of State for Education and Science in the last Labour Government, becomes the Social Democrats' 24th MP, and the first to sit in Parliament without the reproach that she was elected in another party's colours. The SDP now have

CROSBY RESULT	
Williams, S (LSDP)	28,118
Butcher, J (C)	22,829
Backhouse, J (Lab)	5,450
Boaks, W (White resident)	36
Keen, T (C.L. All.)	99
Kennedy, J (Midx Poly student)	31
Potter, D (Humanitarian)	31
Small, R (Ecology)	480
F'Tang, T (Cambridge Univ Raving Loony Soc)	223
Majority	5,289

General election: Page, R. G. (C), 34,768; Mulhearn, A. (Lab), 15,496; Hill, A. (Lib), 9,381; Hunter, P. P. (Ecology), 1,483. Majority 19,272.

three former Labour Cabinet Ministers in the Commons.

Her presence there must strengthen her chances of winning the leadership of the SDP once a mechanism for choosing a leader is ready and working. But that decision is not expected before next autumn and before then Mrs Williams's chief rival, Mr Roy Jenkins, must have an excellent chance of winning the next by-election wherever it may fall, on the present strong pro-Alliance tide.

Mr Jenkins, who came near to winning the Warrington by-election in July on ground as unfavourable as Crosby, is now the only member of the four founders of the SDP, launched as recently as last March, who has no seat in Parliament.

Mrs Williams's achievement is the second success at a parliamentary by-election for the electoral alliance of the SDP and the Liberals, which was sealed at two parties' conferences in September and October. Mr William Pitt, standing as Liberal Alliance candidate with SDP support, took the marginal seat of Crosby North West from the Conservatives five weeks ago.

The Alliance campaign in Crosby as elsewhere was aimed at the two-party system, the allegedly extreme politics of Labour and Conservatives, the containing of anarchy in Parliament. Mrs Williams told the

voters that Labour was in turmoil and the moderates in her old party were lost. But her main assault from the first was on the Government. She told Crosby voters that a victory for her would force the Government to change policies which had led, she said, to high unemployment and inflation and to low output.

Whether or not they believed her, both faithful Conservatives and despairing Labour voters yesterday combined to support the most experienced and evidently the most appealing candidate.

Crosby voters, from today a famous species, will be rewarded by having their motives minutely analysed in the next weeks and months.

The Social Democrats and their Liberal allies are not flattered by suggestions that this was a protest vote. But conversations with electors on the doorsteps of Crosby this past week were full of protest. They may have been confused by the policies which Mrs Williams was advocating.

Opinion polls taken in the Crosby constituency over the past month, by three different organizations, have consistently shown Mrs Williams well in the lead, ahead of the Conservatives, with Labour third.

Market and Opinion Research International (MORI) polling between October 23 and October 26 days before the election day, showed Mrs Williams with the support of 40 per cent of those prepared to say how they would vote.

MORI's final survey, conducted for the Daily Star on the eve of poll, showed Mrs Williams with 49 per cent; Mr Backhouse 11 per cent; Mr Robert Worcester of MORI estimated a probable turnout of 66 per cent, and forecast a majority of 5,000 to 7,000 for the Alliance.

NOP in the Daily Mail, on the strength of interviews conducted 24 hours earlier, reported Mrs Williams, 50 per cent; Butcher, 35 per cent; Backhouse, 14 per cent. They said this represented a majority of 7,000 to 8,000 if turnout was 65 per cent, and up to 8,500 with a 70 per cent turnout. The SDP voters, page 5

Frank Johnson reports from the SDP HQ

On a high—and kissing the BBC

In the dark outside, the voters of Crosby were still voting. Inside the Social Democratic Party's makeshift campaign headquarters, Mrs Shirley Williams was surveying across the bare woodboards and swarming round the trestle tables, kissing people.

She darted in and out of the rooms and across the landings. Telephones rang. Canvassers clumped up and down the stairs calling out items of information about various triumphs at specific polling stations, like field officers in mid-battle hurrying back to base with word of the enemy routed.

A man from the BBC arrived with the latest news from the Corporation's computer, which, like Mrs Williams, was staying in the Blundellsands Hotel. Telephone crooked in her shoulder, Mrs Williams interrupted the call and asked him: "Is it true that I've won?"

All day long, well-bred girls in the employ of the BBC had been standing outside polling stations asking how people had voted and for whom they had voted at previous elections. "Yes, you've won," the BBC man said. He got a kiss. She already knew she had won. But she obviously liked being told it by successive visitors.

"She's on a high," one of the campaign staff explained. She resumed chattering down the telephone. She was talking to Archbishop Warlock of Liverpool—a cleric, one suspects, of impeccably social democratic sympathies. Some one murmured something about the archbishop at the other end conducting the conversation on his knees.

Mrs Williams eventually disappeared to visit St Joseph's Hospice with the actor, Sir Richard Attenborough, a social democrat. The computer had reached its broad decision by midday. It only remained for the voters to take the precaution of completing the voting.

By nightfall a decent enough interval had elapsed to make it seem to call for Conservative headquarters. There was a mood of polite gloom. The admirable Tory ladies in Fair Isle jumpers carried on moving lists of voters around on long tables but there were not as many people in the building as at SDP headquarters. It was raining heavily outside. That added a further touch of melancholy.

The central office professionals continued to go about

their business with clipboards. But they too knew the word from the computer. "We're moving phantom armies around at the moment," one of them said, with a glance at those voters' names being sorted by the central office. It was rather like a general staff meeting, the divisions which had either been annihilated or had gone over to the enemy.

Some satisfaction was expressed about indications from the last night by a list of polling stations that Mrs Williams had cut into the Labour vote proportionally more than the Conservatives vote. This was taken as a sign of hope for the seat next time.

Thoughts turned to the candidate, Mr Butcher. One inquired: "How is he, er... er, taking it?" It is the sort of silly question which you do ask at a time like this. The conversation took the tone of one between a doctor and a sympathetic relative. "He has... er... accepted it," the central office man replied. The elderly ladies, the rain, and the near-deserted room gave the exchange an added air of the macabre. It was difficult to believe that all we were talking about was an election.

The lesson of Crosby

Roy Hattersley assesses the significance of the Alliance victory.

The conventional explanation concerns the traditional behaviour of mid-term by-election and Conservative parties are simply looking for comfort, they can find it by comparing last night's swing to the SDP with the great Liberal victories of the 'Sixties and 'seventies. "Remember Orpington!" is still a battlecry. But it is now used by the rear-guard of the retreating major parties, not by David Steel's irregulars sniping at the big battalions.

The battlecry has some justification. Every by-election is influenced by the special passions of the moment and the emotions that encouraged the burgers of Crosby to rally around Shirley Williams' standard will not wash over all the country when the general election comes. By-elections are more about personalities than policies. In Crosby, the SDP won the personality race but barely designed to compete in the policy competition.

When the general election comes Mrs Williams will not be cut up into 600 pieces and spread lightly over every constituency. And at least some newspapers will feel an occasional duty to print pictures of other candidates. Labour and Conservative will unite in their gratitude for that. Acknowledging Mrs Williams' extraordinary ability to walk sportily through the minefield of party politics requires neither graciousness nor chivalry. It is a simple fact.

However, all the special factors having been taken into account had the precedents having been properly observed, it is not even sensible to pretend that Crosby can be written off as a future footnote in David Butler's guide to the next general election. A single result might justify such an interpretation. Added to Warrington, Croydon, and enough local government by-elections to fill a council chamber, Crosby emphasizes how much the SDP/Liberal

alliance menaces both Socialist and Tory. The alliance is largely the product of the other parties' behaviour. Although it will prove tedious to destroy rather than to remain essentially dependent not on its own performance but on the conduct of its opponents. It is the child of disenchantment and political philosophy around which an election manifesto can be written.

The signs are that the message is seeping in. Labour, at least, has begun to speak again to its supporters rather than talk only to the most vociferous of its members. Of course there are many battles to be fought before the lesson of Crosby is turned to our full advantage. But Mrs Williams' presence in the House of Commons will be a constant reminder, as well as a preach, her victory may well be the greatest service she has rendered the Labour Party.



The triumph of Shirley Williams: a victory born of dismay, fear and disbelief.

Axe on dole and rents but not on students

By Julian Haviland and Philip Webster

The Cabinet yesterday completed its four-month review of next year's public expenditure by agreeing that provision for 1982-83 must be allowed to rise by nearly £5,000m above the figure of £110,000m provided for in estimates published last March.

Mr William Whitelaw, the Home Secretary, standing in for the Prime Minister in the Commons, confirmed that Sir Geoffrey Howe, Chancellor of the Exchequer, will make a statement to the House next week.

With most of the battles between the Treasury and the spending departments resolved in Cabinet committees, yesterday's two-hour 40 minute meeting seems to have gone smoothly enough, with the Treasury resigning to the fact that it had failed to secure anything like its revised target for savings in next year's programmes. One participant even described the proceedings as "a job".

Extra cuts from the departments, and revised estimates of inflation, would have required £7,000m in extra provision, of which the Treasury at first hoped to claw back more than half. In the end it has had to be satisfied with "cuts" of no more than £2,000m.

The outcome, though foreseen, had greatly heightened liberal Conservatives who have argued for "mildly" that the unexpected depth of the recession required upward revision of the Government's spending targets.

They were specially pleased last night by a last-minute Cabinet by the spenders over the years. The proposal to end the minimum maintenance grant for students, set at £410 in the current year, was thrown out. But cut had been offered by Sir Keith Joseph, Secretary of State for Education, seized on by the Treasury and endorsed by a Cabinet committee chaired by the Prime Minister.

The liberals in the Cabinet were less happy about the decision, agreed with some reluctance, to cut the real value of unemployment benefits. It is believed that next year's increase will be lower by 2 percentage points than the rise in the rate of inflation.

The decision has angered some Conservative backbenchers who have said that they will oppose it. The Cabinet also agreed that extra revenue would have to be raised by further increases in some prescription charges, and by putting up council rents by between £2.50 and £3 a week.

The Chancellor will also announce next week the Cabinet's agreement to larger than usual increases in National Insurance employee contributions. It is believed that the decision is to raise them by as much as 1.5 per cent.

In a separate announcement the Government is expected to announce a big increase in the television licence fee. The BBC has been pressing for an increase in the colour television fee from £24 to £30 a year.

Defence escaped lightly in the cuts and is expected to be allowed significantly more money next year than originally provided for. Sir David Blake, our Economics Editor, writes.

There is considerable anger in the Treasury about the way in which the defence department got its way. Treasury officials have been examining the defence claims that the equipment which it buys is going up in price more rapidly than the general rate of inflation. They say that they have found no evidence to support that.

A new effort to cut back defence spending is likely in the review next year. Because of defence spending other programmes, such as nationalized industry investment, have been reined in.

The Chancellor's announcement next week will probably indicate that the Government wants to keep public borrowing next year down to a lower proportion of total national output than it has been this year.

Any such deal as far as France was concerned would, however, be possible only in the medium term and then only on a decreasing scale. He rejected the idea that any country could expect a full return from its contributions

Duke urges improved housing aid

By Hugh Clayton

The Duke of Edinburgh called yesterday for a change in housing policy so that public subsidies were aimed more at lower-paid households. "Home ownership has been placed in a highly privileged position," he said, "it represents the best private investment available."

The Duke, who is president of the environment committee of the Royal Society of Arts, gave a robust and often impassioned speech at a conference about rural housing organised by the society in London.

"I think we want to do again about the application of subsidies so as to arrive at a lower cost for the people who need it," he told an audience which included Mr John Stanley, Minister for Housing and Construction. The Duke chaired the conference, which was called to debate a report issued by a working party of which he is also chairman.

According to the Department of the Environment the cost to the Exchequer last year of tax relief on mortgages and subsidies to homeowners who pay little or no tax was £2,195m. There are about 5,500,000 homeowners and the average subsidy to each is £399 a year (Lorne Bourke writes).

The total cost of subsidies, rent rebates and housing benefits to the 6,700,000 council house-tenants was £2,465m. The average subsidy to each is an estimated £367 a year.

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Seychelles coup attempt is foiled

Victoria, Seychelles, Nov 26. Seychelles troops have repulsed an attempt by foreign mercenaries at the international airport of the Indian Ocean islands and mopping-up operations are still under way, the Government said tonight. In the first detailed account of the attack, a Defence Ministry communiqué said 45 mercenaries were involved. Earlier reports put the figure at more than 100. The communiqué said the attackers, armed with rocket-propelled grenades, rocket launchers, hand grenades and submachine guns, had taken about 100 people hostage before seizing control of the terminal building at Pointe La Rue International airport, 10 miles from the capital, Victoria.

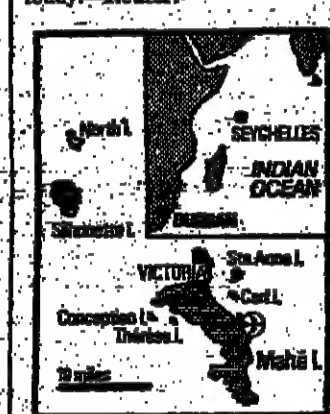
They also took over the cargo terminal and control tower in the attack, which began at 5.30 pm yesterday, the government statement said.

"After very heavy fighting at the cost of very few casualties, the defence forces, which included the police force and the people's militia, succeeded in dislodging the mercenaries and regaining full control of the airport. The Seychelles people's defence forces are continuing mopping-up operations."

The communiqué said the attackers arrived aboard a scheduled Royal Swazi Airlines flight from Manzini, capital of Swaziland.

"Those mercenaries who were not killed on capture or who had not fled back to the safety of South Africa by hijacking an Air India Boeing 707, have fled into the hills around the airport," the statement said.

"It is said that only a few of the mercenaries had managed to force their way aboard the Air India jet after 'tricking' it into landing," but this account conflicted with reports from Durban, where the hijacked Boeing landed early today—Reuters.

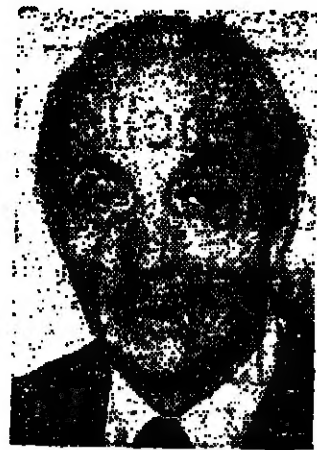


□ Johannesburg: More than 40 men, some of whom are South Africans, were in custody in Pretoria tonight after the failed coup attempt (Michael Horneby writes).

When it became clear that they were outgunned, the mercenaries made their escape by commandeering the Air India jet which was in the Seychelles with its 65 passengers and 14 crew for refuelling during a flight to Bombay from Salisbury, the capital of Zimbabwe.

Continued on back page, col 3

NEWS IN SUMMARY



Mr. Brown: 'Certain to start talks with SDP.'

London MP quits

Mr. Ronald Brown, Labour MP for Hackney South and Shoreditch, last night announced that he was leaving the Labour Party after 45 years because it had become "an adjunct of the Communist Party" (Anthony Bevan, out Political Correspondent, writes).

He told a meeting of his constituency general management committee that he found it impossible to continue as a Labour Party member because of his total opposition to the leftward drift of Party policy, and because of the infiltration of the party by Communists and Trotskyites.

Mr. Brown, who entered Parliament in 1934, is the brother of Lord George Brown, the former Labour Foreign Secretary who has joined the Social Democratic Party. Mr. Brown told the committee that he was "almost certain" to start talks with the SDP.

It was known for months at Westminster that Mr. Brown was extremely dissatisfied about the state of the Labour Party, particularly in London. As a member of the executive of the Greater London Labour Party, he saw at first hand the effects of the concerted left-wing takeover.

His own local party has not yet been made the target for takeover, and there was no doubt that Mr. Brown would have been re-elected as Labour candidate for the next election.

But he felt that he could not put his name forward for re-election on the basis of policy which he did not support. He had not been elected in 1979 on a manifesto which called for unilateral nuclear disarmament or withdrawal from the EEC. The Labour Party had changed; he could not, he said.

Mrs. Karen Lesley Speight, aged 21, of Cedar Road, Leeds, pleaded guilty to dishonestly using electricity. She was given a conditional discharge for 12 months. Mrs. Speight, who reconnected the supply, told police: "I have a little girl and I need hot water and the light."

Marks to face new trial

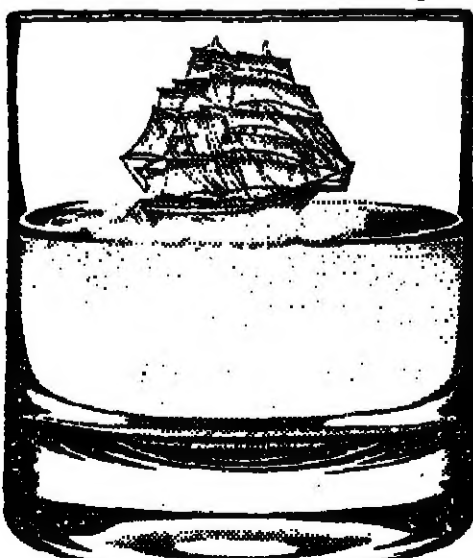
Dennis Howard Marks, aged 36, the former MI6 spy cleared last week of heading a £20m international drug smuggling operation, is to face trial in the New Year on other drug charges, it was stated yesterday.

Mr. Alan Suckling, said for the prosecution at the Central Criminal Court yesterday that the Director of Public Prosecutions had decided to go ahead with another trial relating to alleged drug offences by Marks in 1972.

Triple murder hunt

Police were hunting yesterday for the killer of three youths who were found dead in their cars near Wellingborough, Northamptonshire. Mr. Sid Hickling, and Susan Owens, both aged 27, and Adolphus Smith, aged 25, had been shot.

Cutty Sark Scotch Whisky



Quality without compromise.

Paisley's 'army' condemned by RUC and UDA

From Christopher Thomas, Belfast

Mr. Jack Hermon, Chief Constable of the Royal Ulster Constabulary, said last night that the fabric of society in Northern Ireland was threatened by self-appointed armies.

In one of his toughest statements he said: "No republican or loyalist paramilitary organization or any private force acting outside the law will be permitted to usurp the authority of the police or Army."

The new "Third Force", which the Rev. Ian Paisley, a paramilitary machine to add to his church and political movement, seems to be successfully developing in border areas and night-time vigilante patrols have begun. Paisley, however, has not been produced and Mr. Paisley continues to insist that his organization will keep within the law.

But Mr. Hermon, who did not mention the Third Force by name, said the role of self-appointed armies was "to seize power and dictate to the people not only what they should do or should not do, but whether they should live or die. It therefore behoves everyone who values freedom to support the forces of law and order. If they do not, they may one day discover to their cost that it is too late."

The Third Force is operating mainly in border areas where members of the security forces are particularly vulnerable to IRA attacks.

The Protestant Paramilitary group seem united in their animosity to Mr. Paisley, whose campaign has almost certainly been the main reason for the group's formation.

A senior leader of the Ulster Defence Association said: "If it is a choice between a united Ireland or living under the rule of Paisley, I think most of us would opt for a united Ireland."

Mr. Hermon's statement came

Strike call by tanker men

By David Felton, Labour Reporter

Shop stewards representing tanker drivers at two leading oil companies last night called for a series of lightning one-day strikes in protest at the companies' refusal to increase an 8.1 per cent pay offer. Company managements said the effects of such strikes would be very serious.

The 3,000 oil distribution workers at Shell and Texaco terminals will hold meetings over the next week to decide whether to back the call. But transport unions officials gave a warning last night that if there is backing from the workforce the strikes will be held without advance notice being given.

The Transport and General Workers Union, which represents Britain's 20,000 tanker drivers and terminal workers, said that the aim of the in-

THATCHER'S CRITICS VOTED OUT

By Philip Webster, Political Reporter

Senior Conservatives moved last night to stop organized attempts by right-wingers to punish critics of the Government through voting them out of the offices of important backbench committees.

The anger of the party's left wing over what it regards as petty revenge missions by the right was intensified when Mr. Terence Higgins, who has been a persistent critic of the Government's economic strategy since his election as chairman of the party's committee to an outspoken right-winger, Mr. John Carlisle, and Mr. Michael Bates was defeated as vice-chairman of the Northern Ireland committee by Mr. Ivor Stanbrook.

Some MPs were saying last night that the defeat of Mr. Higgins, a former Treasury minister by now a highly respected backbencher, was the last straw and that the purge had gone too far. As a former Olympic runner he was seen as an ideal choice as chairman

of the Northern Ireland committee.

However, the denial is being treated with some scepticism. There is an increasing effort by the organization's leaders to dispel the possibility that policemen or UDR soldiers might be members.

Mr. Hermon said the RUC would not and could not be directed by factional groups or political pressures, from whatever direction.

"Now is the time for this community to hold on to its commonsense and not to put in danger the democratic values which we cherish," he assured that the police and the Army will fight terrorism until terrorism is finished. "I say to the terrorists, you will not win. You will not be allowed to win."

Mr. Nicholas Winterbottom, Conservative MP for Maclefield, was sharply criticized last night by colleagues after an outspoken lunchtime speech in which he called for the resignation of Mr. James Prior, Secretary of State for Northern Ireland.

Addressing the University College of London Conservative Association, Mr. Winterbottom accused the Prime Minister of "apathy and blatant incompetence," and said that Mrs. Thatcher, in appointing him, had done a grave disservice, injustice and insult to the interests, sensibilities and intelligence of the people of Northern Ireland.

Mr. Winterbottom, aged 25, a private in the Royal Army Regiment was remanded in civilian custody at a special court in Northern Ireland yesterday, on a charge of murdering Angela D'Arcy, aged 23, who was shot dead in Enniskillen, Co. Fermanagh, on Wednesday.

Management must bear the main responsibility for most of what is wrong and for putting it right with the help of unions and staff. The main concerns stipulated are demarcation problems, "inflexible" work practices, rigidity on manning levels and slowness to accept change.

British Telecom does not have plans for sweeping, across-the-board redundancies of the kind experienced in other service industries, Mr. George said. "I cannot give a guarantee that there will not be any redundancy," the chairman insisted.

British Telecom's outgoings in 1980-81 were £4,373m, and a 25 per cent reduction on that figure would mean a £3,280m cutback in money spent on operating the telecommunications service, investment, buildings, research and interest payments.

Mr. Bryan Stanley, general secretary of the Post Office Employees' Union, suggested yesterday that Sir George's comments were "no more than a general idea about how he sees the future."

He said that while he was not a member of the union, he was a member of the public and he was interested in the future of the service.

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Telecom to aim for economies of 25pc

By Paul Routledge, Labour Editor

British Telecom is planning to cut its operating costs by 25 per cent over the next three years, in an economy drive directed against restrictive union practices that may involve redundancies.

Sir George Jefferson, chairman of the state telecommunications business, has told unions that changes must be made soon to reduce labour and other bills by about 8 per cent each year up to 1984.

He said: "We have about 15 months left in which to put ourselves on a proper commercial footing. If we are caught off balance, then market forces might be irretrievably lost to our competitors."

Main priorities in forthcoming talks will be the need to match high wages with high output and the achievement of lower costs.

In the new commercial climate brought about by the Government's legislative abolition of the state telephone monopoly, British Telecom is also discussing with ministers the desirability of "Bobby Bonds" to bring private investment into the nationalised concern.

"We are looking at possible arrangements for giving preference to staff applications," Sir George says in what he describes as the most urgent and important message in the history of the business "in the state newspaper."

"Whatever the colour of future governments will need to save money because the National Loans Board is unlikely to meet our needs over the next few years. But the effectiveness of this means of how attractive the bonds are to raising money will depend on the confidence of the public in how profitable we are and how people view our prospects."

Management must bear the main responsibility for most of what is wrong and for putting it right with the help of unions and staff. The main concerns stipulated are demarcation problems, "inflexible" work practices, rigidity on manning levels and slowness to accept change.

British Telecom does not have plans for sweeping, across-the-board redundancies of the kind experienced in other service industries, Mr. George said. "I cannot give a guarantee that there will not be any redundancy," the chairman insisted.

British Telecom's outgoings in 1980-81 were £4,373m, and a 25 per cent reduction on that figure would mean a £3,280m cutback in money spent on operating the telecommunications service, investment, buildings, research and interest payments.

Mr. Bryan Stanley, general secretary of the Post Office Employees' Union, suggested yesterday that Sir George's comments were "no more than a general idea about how he sees the future."

He said that while he was not a member of the union, he was a member of the public and he was interested in the future of the service.

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Winning looks: A thoughtful Chris Epslin and Kevin Keegan.

A champion at five

Chris Epslin, aged five, who saved his drowning brother, was one of several young people who were named Champion Children of the Year, by Dr. Barnardo's at a ceremony in London yesterday.

The boy of New Marske, Redcar, Cleveland, received an award for his bravery in rescuing his brother, aged two, who slipped out of a rubber ring in a swimming pool. The older boy grabbed his brother by the hair and held him out of the water.

Thirty children reached the finals of the Dr. Barnardo's competition and heard Princess Margaret.

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Speaker orders MP to get out

By Hugh Noyes, Parliamentary Correspondent, Westminster

It was a day of considerable excitement in the Commons yesterday. Mr. Arthur Lewis, the heavyweight Labour MP for Newham North West, was thrown out by the Speaker after getting so wound up that he could not stop talking on a point of order.

Mr. Dennis Skinner, Labour MP for Bolsover, seemed to be on the verge of a coup d'état, Mr. Michael Foot seemed to be on the verge of a nervous breakdown and five youths were banished from the public gallery of the House after shouting "hypocrite" at Mr. Patrick Mayhew, Minister of State for Home Affairs.

To top it all Miss Joan Lester, the new women's rights spokesperson on the Labour front bench, tried to enrol Mr. William Whitelaw in the feminist cause, and needless to say, which she did not find too rewarding.

Much of the tension and turmoil, as it turned out, was the result of an unusually leaky Commons. In the corridors of power, during which ministers, MPs, agents provocateurs, MI5 and MI6 have been taking open government to "ludicrous lengths."

Everything from the legalizing of brothels to the curbing of unemployment pay has been divulged in devious and sinister ways. No wonder Mr. Foot was calling for the flood barriers and Mr. Lewis was urging the Speaker to send out a lifeboat.

Indeed, Labour MPs were understandably too happy when they pressed Mr. Whitelaw to make a few more revelations, only to be told that patience was a virtue and that they would have to wait for Sir Geoffrey Howe, the Chancellor, to make a statement next week.

But Mr. Whitelaw was looking without Mr. Ewia, who is not a man to be trifled with when he gets religiously indignant. Mr. Ewia is the MP who lay down in front of a large lorry outside the Savoy Hotel on behalf of some good cause long since forgotten.

Day in and day out, they are leaking, leaking, leaking. He shouted, glaring furiously at the Government front bench. "It's a revolution we want."

Mr. Skinner yelled from the seat beside him. "Or at least a change," Mr. Robert Croyer (Keighley), a fellow militant, suggested.

"Get the trouble out" another insurgent shouted from the gallery. Just as things began to get interesting, with Mr. Skinner looking around for the nearest lamp post, the Speaker began to lean heavily on Mr. Lewis, warning him of his tolerance so far and of his patience that was fast running out.

But it is no easy matter to stop Mr. Lewis once he has been wound up and the member for West Ham NW demanded a ruling from the chair.

"My ruling," the Speaker said, "is that Mr. Lewis has been wasting our time for the past 15 minutes and I must ask him to leave the precincts of this House for the rest of the day's sitting."

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Science Report Three tests try to end the bends for divers

By Pearce Wright, Science Editor

Three research programmes are starting to try to prevent decompression sickness (the bends) among divers, and to reduce the incidence of an incapacitating bone erosion that often follows.

One investigation is planned in an experimental chamber to be built underground beneath 150 feet of clay. It will test a novel idea by Dr. Anthony Evans and Professor Dennis Walder, of Newcastle University, that cosmic particles which form part of the natural background radiation may provide the trigger for bubble formation that causes the bends.

A second project by Professor Sir William Paton and Dr. Stephen Daniels, of the department of pharmacology at Newcastle University, is based on a method for pinpointing microscopic bubbles in tissues and monitoring their movement. The third, and long term study, allows tests for the potential effects on divers of experimental mixtures of gases designed to allow men to work at much greater depths.

These experiments will be done at the Medical Research Council's clinical research centre at Harrow. Apparatus that simulates diving conditions at pressures up to 200 atmospheres has been installed there to test the effects of gases on the human body.

The technical factors influencing the economics of underwater work are complicated. For instance, a diver working for one hour at 350m needs 15.5 hours of decompression to return to surface conditions. So for economic reasons diving teams are kept in living quarters maintained at the pressure of the water level in which they are working.

Bubbles occur in two or three out of 100 divers working at the relatively modest depths of present offshore technology. Yet the reason for their formation is a mystery.

Professor Walder's group has been building a statistical analysis since 1964 of bone necrosis, thought to arise from the interruption in the blood supply to the bone.

His team has detected an association between the death of areas of bone and the level of two substances manufactured in the body, and found as hydroxyproline in the blood. Both substances have been found to increase significantly soon after a bout of decompression sickness.

From yesterday's later editions

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Texas Instruments Calculators are stocked by Argos, Books, Comet, Euro-Calc, Landau Electronics, Robot Office Equipment, Shoppers World, Taylor Wilson, W.H. Smith, Widings Office Equipment and Executive Businessline. Heflins, Maths Box, Nienhuys, Mountaineers, Sarnoff & Moore, Science Studio, Selflinks, Sumlock Bondart, Waters-Ions and other leading calculator stockists.

Drug gang leader gets 10 years and £250,000 fine

A gang of cannabis smugglers received sentences ranging from 18 months to 10 years, and fines totalling more than £675,000 at the Central Criminal Court, London yesterday for their part in "Operation Cyril".

The team of 13 men made an estimated £40m by smuggling "cannabis by the ton" into a tiny Cornish cove at Talland Bay, between 1975 and 1979, the court was told.

After a two-month trial, Judge Richard Lowry jailed the gang for a total of 55 years. He told them: "The scale of this case makes long sentences unavoidable." He said vast sums were made, going into millions of pounds.

"All the defendants deliberately chose to deal in drugs, and big and wazy money was the lure. Cannabis was selected because it is easy to acquire and easy to sell, and vast profits could be, and were made in the process."

Robert Mills, bookmaker, who was the mastermind of the gang, received the longest sentence, 10 years. He was also fined £250,000 and ordered to pay prosecution costs not exceeding £50,000.

The judge told him: "You are the most prominent person in this story. You have abilities and engaging qualities." But, he added, Mills' career as a smuggler was "worthless in human terms and disruptive to the community".

Before sentencing the 13, six of whom admitted their

part in the operation, the judge said he had no powers to take money from any of the defendants' bank accounts. "The court's powers are limited by Acts of Parliament. Parliament had not contemplated a case on this scale when the various statutes were enacted."

The gang had chosen cannabis, as it could be acquired and sold easily. The drug was brought from North Africa on board a converted radar equipped fishing boat, Guiding Light. The millions made from drug sales, estimated at £40m over the years, in cash into a City bank.

Mills, aged 41, of Otto Street, Waltham, South-east London, used his race-course activities as a cover for cash.

Before he was sentenced, the court heard from his counsel, Mr Robin Simpson, QC, that most of his assets had gone. Money in Swiss bank accounts and £163,500 found in his accounts at two streatham banks on his arrest were used up.

Two Gibraltarians, Ambrose Vinales, aged 51, bank manager, and Edward Victory, aged 57, businessman — were jailed for nine years and 18 months respectively. Victory was also fined £250,000 and ordered to pay costs not exceeding £50,000.

Vinales, who transferred cash from the drug sales to his native country where it was "laundered", was also fined £140,000.

Trevor Coles, aged 40, financial consultant, of Ays-

Repaired portrait of Princess on show

By Christopher Warman
Arts Correspondent

The portrait of the Princess of Wales by Bryan Organ, which was severely damaged when it was slashed with a knife in August, was back on display at the National Portrait Gallery, London, yesterday fully restored and protected by an unbreakable perspex screen.

As a result of the attack, Bryan Organ's portrait of the Princess of Wales and Annigoni's picture of the Queen have also been covered with a perspex screen. The decision was taken reluctantly, and Annigoni objected because a screen alters the colours and makes a picture more difficult to view because of reflected light.

The Princess's portrait was so badly damaged that there were fears it might not be adequately restored. But the cuts have been so skilfully repaired the damage is scarcely visible. Only through close scrutiny can the slightest sign of repair be detected.

Dr John Hayes, director of the gallery, said he was delighted with the result. The artist was also full of praise for Mr Peter Newman, who spent about 100 hours relining the canvas, which had suffered three large cuts and been ripped, and Mr John Bull, who restored the painting. "They have done a fantastic job," Dr Hayes said. He said the cost of restoration would exceed £1,000.

Mixed ability teaching shows a decline in secondaries

By Diana Geddes, Education Correspondent

Contrary to common belief, the use of mixed ability teaching in the early years of secondary schools has declined slightly in recent years, while the use of sets, or graded ability groups for different subjects, has increased, sharply, a report published today says.

The report gives the findings of a three-year research project by the National Foundation for Educational Research (NFER) into the emotive issue of mixed ability teaching. The subject involves children of all abilities being taught together in the same class.

That form of class organization has been the target of much heated criticism, particularly from right-wing educationists, who hold it in large part responsible for the alleged decline in academic standard.

Those hoping for a cut-and-dried judgment on the merits or otherwise of mixed ability teaching will be disappointed, however. The report concludes that there are no certain results, positive or negative, which can be assumed to follow inevitably from mixed ability grouping or, probably, from any other form of class organization.

The main advantages claimed for keeping children in mixed ability groups in the early years of secondary schooling were that it gave pupils a fresh start and helped avoid the labelling of pupils; it avoided the creation of disaffected "sink" groups,

sometimes produced by dividing children into separate streams according to their level of ability; and it helped create a community which favoured certain aspects of personal and social development, and which was conducive to improved behaviour among pupils and greater work satisfaction among teachers.

To be set against that, were the main disadvantages reported by teachers. Those included lowered attainment among more able pupils, difficulties experienced by the less able, and an increased burden on teachers.

Mixed ability teaching is far less widespread in comprehensive schools than is commonly supposed. The foundations' survey of nearly 600 schools, carried out last year, indicates that while just over half of all schools use mixed ability groups for most of the curriculum in the first year, only 18 per cent continue to do so in the third year, compared with 25 per cent in 1975.

Despite being up to three years behind English children in attainment on entering primary school and facing continuing linguistic difficulties, most Asian children more than catch up by the time they leave school, the National Association of Head Teachers says in a report published yesterday.

The report, on the education needs and attainment of Asian children, had been

drawn up by two working parties of head-teachers, one in London and the other in the Midlands. It forms evidence to the committee of inquiry into the education of children from ethnic minority groups, which is by Lord Swann.

The report identifies some of the disadvantages encountered by Asian children, particularly in their pre-school years.

Many Asian children had been confined to the home with a mother or grandmother who spoke little or no English, and also had little opportunity for physical exercise. But the children were able to cooperate totally and many were highly motivated and intellectually able, though they needed strongly structured teaching methods.

By the time they were seven most had acquired a linguistic "survival" kit, though few could read and write English at the appropriate level for their age. The strong influence of the Muslim religion on Asian families made life doubly difficult for Asian pupils. From an early age, many were having to cope with two hours of extra schooling in the evenings at the mosque.

Mixed ability teaching: problems and possibilities, by Margaret Reid, Louise Chubb, Ross, Brian Goucher and Carol Vile. (NFER-Nelson Publishing Company, Darville House, 2 Oxford Road, Exeter, Devon, EX4 3DF, £5.95).

GPs better able to control pain of cancer

By Annabel Ferriman
Health Services Correspondent

Family doctors are becoming better able to control the pain suffered by patients dying of cancer, according to Dame Cicely Saunders, the pioneer of the hospice movement.

Older general practitioners had proved one of the groups most resistant to the movement's aims of improving pain control and providing extra support for patients and their families.

Dame Cicely was speaking at the launch of a new book on the hospice movement, published yesterday. She said that some older doctors had taken the view that they had been caring for dying patients for years and did not need advice on how to do it better.

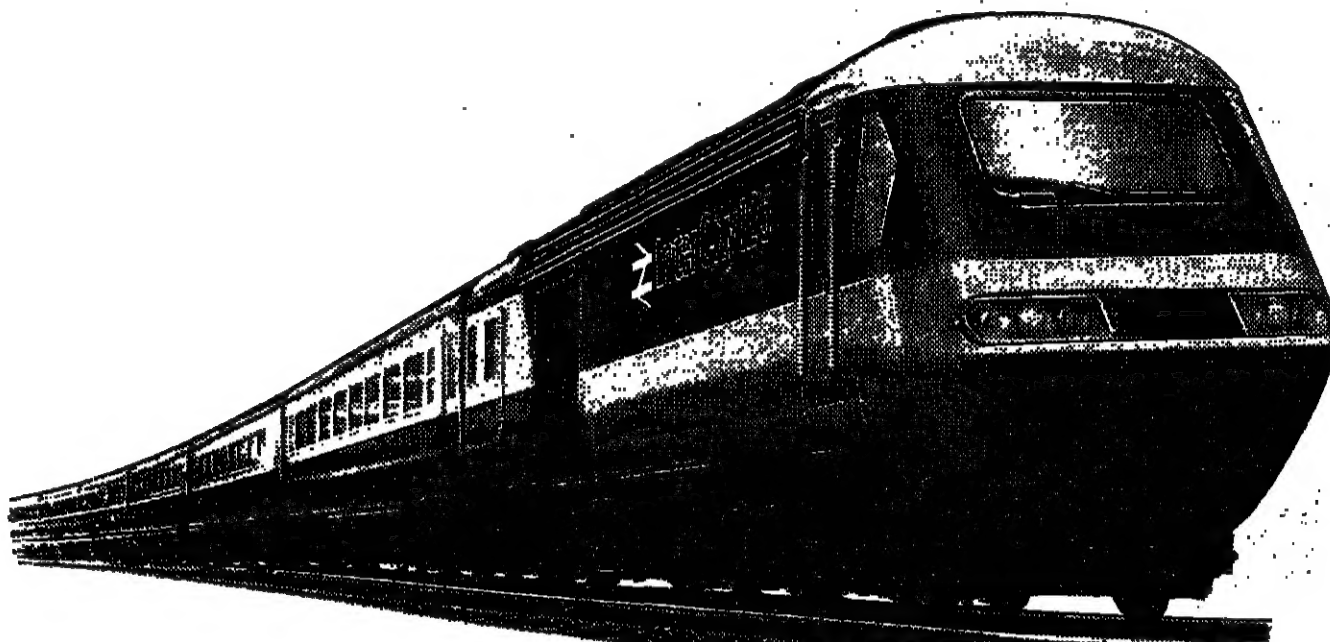
But the care they provided was improving, she said. A study carried out by St Christopher's Hospice, Sydenham, South London, comparing a group of patients admitted to the hospice and local hospitals in 1969 with a similar group in 1979 showed that the pain the patients were suffering on admission was much better controlled in the second group than the first.

Dame Cicely, who took up medicine at the age of 33, having worked as a nurse and voluntary donor, said that although the hospice idea was being used more and more by teams of specialists working in hospitals rather than by groups putting up purpose-built units, the latter would always be needed. Separate hospices would be necessary to welcome patients whose illness was too difficult to handle on the ordinary wards and to carry out research, as St Christopher's did.

Dame Cicely founded St Christopher's in 1967, having worked for seven years at St Joseph's Hospice, Hackney. It is financed partly by the Department of Health and Social Security and partly by voluntary donations.

It is facing an acute shortage of funds, needing another £200,000 to carry it through to the end of the financial year. If it could not find the money, it might have to close a ward, she said. The hospice, which has 62 beds, is constantly oversubscribed, and has to turn away about a third of those who apply to it.

Hospice: The Living Idea, Edited by Dame Cicely Saunders, Dorothy Summer, and Neville Turner. (Edward Arnold, £5.50).



In theory, a monopoly has no competition...

It's true that British Rail operates the only national railway system in the country. By definition, that should make us a monopoly.

By implication, we should therefore enjoy a cosy existence, sheltered from competition, insensitive to customers' needs, complacent and unadventurous.

Nothing could be further from the truth. **COMPETITION IN EVERY SECTOR**

On the passenger side intense competition comes from over 15 million private and company cars owned in this country. Owners who use their own cars on business benefit from high car allowances. And people with company cars (of which Britain has more than anywhere else in Europe) usually have only to find marginal costs, like petrol, out of their own pockets for their private travel. Not surprisingly, the incentive to use the car is considerable.

Air services provide vigorous competition for British Rail's Inter-City trains, and nowadays long distance coaches compete for our business much more actively than before.

In the freight sector, competition is similarly intense. We don't benefit, as road hauliers do, from

the UK licensing laws—for example, there is no "quantity" licensing, as in Germany and France, to limit the amount of freight to travel by road. What's more, the heaviest goods vehicles are continuing to receive considerable subsidies.

FINANCIAL BURDENS—WHAT ABOUT FINANCIAL FLEXIBILITY?

We have a statutory obligation to run services which are socially necessary but financially unviable. This is known as the Public Service Obligation—the basis of the annual "contract" between the Government and British Rail. In these terms British Rail is the least supported major railway in Europe.

If British Rail does not use up the whole of the contract payment in any year the residue cannot be "credited" to the next year.

Monopolies generally enjoy more financial flexibility—and muscle—than other business. But not British Rail. Instead British Rail is restricted by the rules and conventions which apply throughout the UK public sector where, for example, each industry has its External Financing Limit. This represents the maximum sum in terms of "outside finance" that any public sector industry can call on each year.

THE SERIOUS IMPLICATIONS

British Rail's investment per train/Km is lower than that of any other major railway in Western Europe. If Britain wants a worthwhile railway system in future, people will have to appreciate the importance of railways as they have done in other countries.

Investment in the railways is a sound and sensible use of money. This so-called monopoly can behave adventurously, can stand up to competition and can justify its role in the economy.

Do not forget that in 1979, before the recession, British Rail's recorded passenger miles were actually higher than in 1961, when the rail network was thirty per cent larger and there were only half as many cars on the road.

This is one of a series of advertisements designed to increase public awareness of the position of the railways in the national transport system and also in the life of the community as a whole. Whilst the facts and figures contained in these advertisements are known and appreciated by those directly concerned in shaping the future, an industry as much in the limelight as ours has a duty to address itself to a wider audience, which needs to be well informed if it is to play its part in helping to form public opinion.

Cheap rail fares to be extended

Rail travellers from London to the provinces will be offered cheap off-peak fares from January under a British Rail plan to extend its financially successful into-London discount fares, which cut by about two-thirds normal ticket prices.

BR is also planning other big changes in its discounted fares structure, it was indicated in Phoenix, Arizona, by Mr Peter Keen, BR's chief passenger manager, at the annual conference of the Association of British Travel Agents (Derek Harris writes from Phoenix).

The level of prices to be charged on off-peak travel out of London was still not finalized, Mr Keen said. The reductions might not be as great as those needed to stimulate traffic to London.

The new scheme, as yet unnamed, follows the success of the "London Savers" promotion, which operates from all provincial stations with a booking office. There are no fixed quantities, but a typical discount is £9 for a return ticket from Liverpool to London compared with the ordinary price of about £32.

London Savers were launched in October after earlier test marketing and BR has established that the scheme is both generating volume traffic and making a profit. Volume traffic on the Liverpool route had almost doubled, with revenue up 10 per cent, Mr Keen said.

Profitability was up because the additional operating costs involved in the off-peak operation were extremely low. The fares from London are expected to apply to nearly all provincial destinations.

The new scheme will be followed by a much more fundamental review of BR's fare structure, Mr Keen added. But that would be after the success of the scheme were assessed.

One strategy being considered by BR is to simplify the discounting structure. It also wants to appeal more strongly to group travel. Family rail fares were running at 100,000 but that was only a fraction of the number of families that were potential customers.

Those holding family rail cards were on average spending £100 a year on rail journeys.

STATE AID TO FARMS ATTACKED

By John Young
Agriculture Correspondent

The "unregulated use of national aid to farmers threatened the whole basis of the common agricultural policy, the National Farmers' Union said yesterday in evidence to the Commons Agricultural Committee.

The procedures laid down for granting national aid had proved to be ineffective, it said. Article 93 of the Treaty of Rome, which required governments to forewarn the European Commission of plans to grant or alter aid, was frequently ignored.

Calling for effective action against state aid which distorted competition, the union suggested that the Commission might be empowered to levy countervailing duties on the exports of offenders.

The union referred specifically to the continued sale of gas at subsidised prices to Dutch growers of glasshouse produce. Since the corporation responsible, Nederlandse Gasunie, was 50 per cent state-owned, the argument was that a commercial agreement was unconvincing.

Bursaries plan to sustain town's choral heritage

From Arthur Osman Leicester

A unique experiment in read music to encourage training boys' voices, which started in Loughborough three years ago with the aim of arresting a decline in choral singing is to be widened in scope.

Mr Andrew Fairbairn, Director of Education for Leicestershire, said yesterday it was planned to offer county bursaries in the first instance to boys aged between 8 and 9, and possibly on a national basis if local applicants were not suitable.

One reason for the development was the increasing difficulty for boys to attend Sunday church services regularly, except during holidays.

The experiment, in which the parochial church council at Loughborough parish church and the governors of Loughborough Garendon High School had cooperated, aimed to maintain the English choral heritage, including church music.

It was important to help boys to sing through the period when the voice broke, and having learnt to sing

read music to encourage them to continue singing. Mr Fairbairn said the opening of a new high school at Loughborough next autumn made it important for all heads of secondary schools there to help to expand the scheme.

"The enthusiasm of the boys in the town has led to the Garendon music staff undertaking winter retreat for choral training in a number of primary schools. At the upper school are boys who have been through the scheme, and wish to continue singing as altos, tenors or basses. It is hoped that some will enter for choral scholarships at universities."

"With the whole town's schools to draw on it will not be difficult to find staff and others who read music to provide the men's voices, either in the Loughborough choir, which comprises up to 100 boys, or in the parish church choir," he said.

Mr Fairbairn said that about £40,000 was needed to launch the scheme and make it self-supporting.



This is the age of the train ➡

Crosby tests how severely faith has been undermined in the old political alignments

For hope, for protest but mostly for Williams

By John Witherow and John Chartres

Disaffection with both Labour — because of party wrangling — and Conservative, because of the state of the economy, clearly influenced voters who were ready to state their support for the Social Democrats and Shirley Williams at Crosby yesterday. Clearly also the candidate's own personality was playing a winning part. Views offered at polling stations in the largely Labour area of Seaford, in the south of the constituency, included:

Mrs Valerie Fairbrother, aged 32, a housewife, who had always voted Labour, said: "I wouldn't vote for Thatcher. She's robbed everybody. Shirley Williams is going to do something for the public and she won't line her own pockets. She's more for the people, and I want to give them a chance. But if they don't do well I won't vote for them again."

Mr Daniel and Mrs Ellen Brown, aged 68 and 63, retired; he has voted always Labour and she has voted Conservative. "We think things are getting so bad, maybe we need somebody else to shake things up," Mrs Brown said. "I think Margaret Thatcher has got the right idea but her policies are a bit harsh," Mr Brown said. "Mrs Williams is a very good person but we are voting for the party, not her."

Mrs Mary Tushy, aged 68, a retired confectioner: "I admire Shirley Williams because she had the courage to leave the Labour Party. I didn't vote Conservative because I want change. Shirley Williams has got nice principles and if she hadn't stood I would have voted Conservative."

Mr Michael Roberts, aged 18, unemployed, and voting for the first time: "I wouldn't vote Conservative and the Labour Party is all over the place. So why not try something new? The SDP seems to be all the parties rolled into one. I don't want to abandon nuclear weapons, we need some kind of deterrent."

Mr William and Mrs Lilian Robinson, accountant and shop assistant, have consistently voted Tory: "We're not political and we voted for her for fun. We don't think the SDP will really be any different from anyone else. But we like Shirley Williams. She comes in an old mac with her ruffled hair and she doesn't talk down to you like Margaret Thatcher. This is a one-off. We only voted for Shirley."

Mr Stanley and Mrs Marian Baker, aged 66 and 63, retired. He is a former painter and decorator: "We voted for Shirley Williams to get the Tories out. I've always voted Labour and have been a trade unionist and sat on committees of the Labour Party. If Labour stood a chance of winning here I would have voted for them. It's a protest vote against the government. I'm not opposed to the Labour candidates."

In the centre of "old Crosby" Mr William Lightfoot, aged 78, pensioner, said he had changed his lifelong Conservative voting habit to the SDP/Liberal Alliance because he did not like the way pensioners were being affected by the economy.

In Formby, Mr David Davies, sales executive aged 38, and his wife, Valerie, 37, said they had voted for Mrs Williams after nearly 20 years' support of Labour.

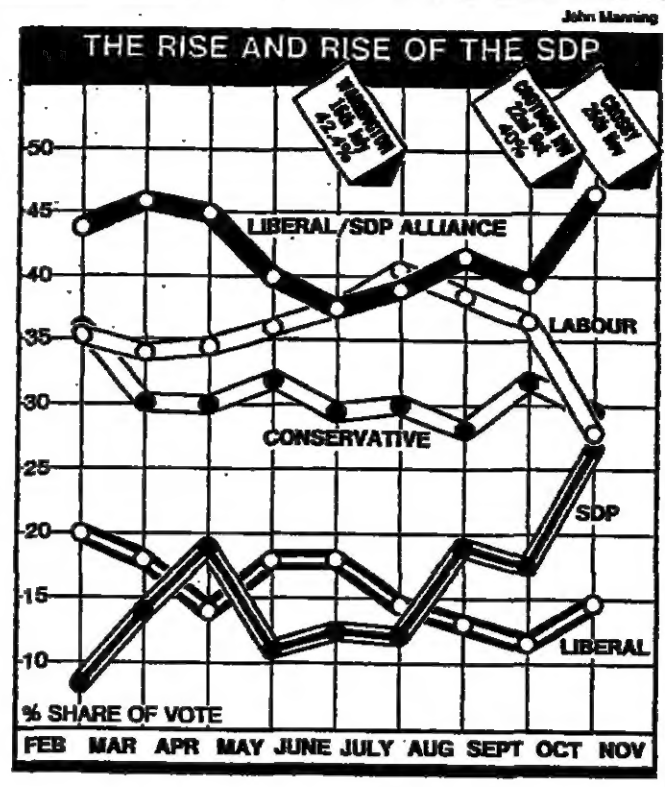
Mr Robert Sinclair, a 32 year old railway porter from Davenham Road, said that he had voted for Mrs Williams, having previously voted Liberal.

In Waterloo, a predominantly Conservative area, SDP voters offered these comments: Mr Robert and Mrs Edith Hayward, aged 39 and 37. He is an unemployed textile worker, she is a housewife both formerly voted Labour: "The Conservatives in this neighbourhood have reigned long enough and there is too much going on in the Labour Party with members antagonising each other."

Mr Frederick Thomas, aged 64, retired bank messenger, formerly Conservative: "I'm not voting for the Communists, which is what the Labour Party is, and couldn't vote for the Conservatives because of the mess they have got us into."



The smiling faces of the Liberal-SDP Alliance: David Steel, Roy Jenkins and Shirley Williams. Right: Party standings this year in the Gallup poll. The top line plots response to the "prompted" question how voters would choose if Liberal-SDP Alliance candidates were standing. The result is higher than combined responses for Liberal and SDP alone and close to actual results.



Local voting share matches national polls

By Ian Bradley

The SDP-Liberal Alliance is now winning about two-thirds of the seats it is contesting in local government by-elections and, if anything, its success rate is increasing.

According to figures obtained from the two parties since the beginning of July, the SDP has won 35 seats on county, district and borough councils and the Liberals have gained 48 seats from other parties as well as holding 10 seats. In that period the Conservatives have lost 40 seats and Labour 27.

In the past three weeks, the Liberal-SDP Alliance has won 14 local government by-elections, winning seven and holding two. Precise details of the number of seats contested by the SDP are not available, but the party says that it has won 19 seats in that period.

Overall, so far this month the alliance has taken 10 seats from the Conservatives and seven from Labour. The SDP has gained seats in Southwark, Selby (North Yorkshire), Crediton (Devon), Shoreham, Witton (Cheshire), Bridgnorth (Salop), Hemel Hempstead, Lancaster, mid-Sussex, Adur Valley and Iwerney (Wales). The Liberals have gained seats in Stockton, Chester-le-Street, north Cornwall, Truro, mid-Devon, Harwich and mid-Sussex.

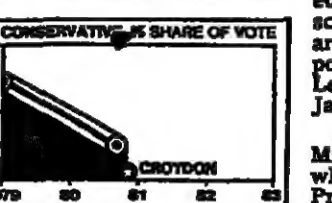
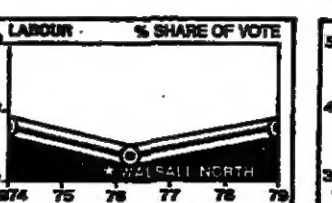
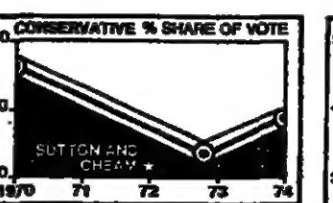
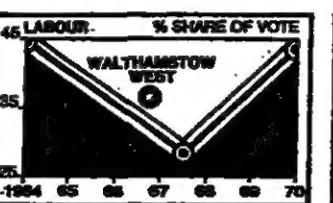
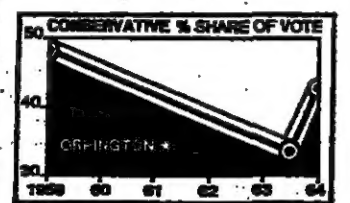
The most detailed analysis of the alliance's progress in local by-elections has been made by Mr Peter Kellner, political editor of the *New Statesman*. His latest compilation of results is published today.

It shows that since October 22 the alliance has won 38 of 57 local government contests. The breakdown of the total vote cast in those contests is:

Liberal/SDP 46 per cent, Labour 27 per cent and Conservative 25 per cent.

That share-out of the vote is very similar to the findings of opinion polls about national voting intentions, averaged out over the past three months. The average of the findings of MORI polls over that period, for example, shows the alliance with 42 per cent of the vote, Labour with 31 per cent and the Conservatives with 26 per cent.

The swing from the Conservatives to the Alliance since the last general election, represented by the local by-election results (23 per cent), is also almost the same as in the Croydon by-election (24 per cent). It is this extraordinary coincidence of figures from local government by-elections, parliamentary by-election results and the findings of opinion polls which has led psephologists to see the Alliance's popularity as something more than a mid-term flash in the pan.



How ruling parties pull back from mid-term slumps and their worst by-election reverses. The lines depict the opinion poll trough for governments since 1953, and the flattening slope of recovery from their worst by-elections.

The quick mind of a quicker dresser

By George Clark

Open, approachable, controversial, Mrs Shirley Williams is the journalist's perfect politician. Over the years she has shown a willingness to be quoted on almost every subject under the sun.

"Sorry, I'm late" is probably one of her classic remarks.

And again: "I am a very disorganised person. My mind is organised, but my habits are not. No matter where I am, I live in a state of considerable squallor." (*Evening News*, December 5, 1973).

Here is a selection of quotations which reflect her character and her attitude to politics:

"I'm only prepared to spend 10 minutes dressing, so what can you expect? ... You might well say, why am I in public life at all? I just don't understand it at all. Perhaps it is because I have confidence in my mind, but not in the way I look." *The Guardian*, August 2, 1971.

"If I got fed up with the Labour Party, I should simply leave politics altogether." *The Daily Telegraph*, June 13, 1979.

"I would not join a centre party because I believe the whole idea is wrong... So far as I am concerned, I will always be in a party to the left of centre." *The Sunday Telegraph*, November 30, 1980.

"Modern Trotskyism, like the Trotskyism of Trotsky himself, holds liberty and democracy in total contempt. Its vision of socialism has nothing to do with the British Labour Party's vision." *The Guardian*, January 22, 1977.

"The party I loved and worked for over so many years no longer exists... it is not the democratic socialist party that I joined." — Letter to Mr Ron Hayward, general secretary of the Labour Party, February 10, 1981.

"As a party, we just have not caught on to the fact that the woman voter often decides differently from her husband... The concentration on industry, the balance of payments, trade union questions, does not appeal much to most women. We must get across to them that we do care about pensions and schools, poverty and ill health." — After Labour's defeat in 1979.

"One of the fields chiefly responsible for the continued poverty, or the level of expectation of girls is the mass media. You have a particular responsibility to see that the image of woman put before our daughters is no longer that of an auxiliary, accessory and essentially secondary creature." Address to Women in Media, June 28, 1973.

"We want to get real muscle behind consumer protection. We do not want to leave shoppers out on their own... We will back you by law." — To Labour Party women's conference, June, 1974.

"Elections are like actresses: their moods can change suddenly. In this election, the central question is how to curb inflation, but so far we have not really confronted it." *The Times*, February 18, 1974.

"Mrs Thatcher [when dealing with male colleagues] does not import sex into it. But she does import a tremendous scolding-mother or headmistress thing. She seems to adopt all the stereotypes of the authoritarian woman, and it is quite impressive in a way, the queen, the governess, the nanny, the headmistress, the matron — she strikes the lot." *The Observer*, March 22, 1981.

"Roy [Jenkins] likes claret, so what? I drink Hiron-delle, so what? None of us leads a particularly posh life, and in any event a liking for good food and drink is as common among the left as anywhere." *The Sunday Times*, April 5, 1981.

"We intend to ensure that all secondary pupils are educated in comprehensive schools and will, if necessary, take fresh statutory powers to ensure this." — Letter to Mr Ron Hayward, January 1, 1978.

Asked, when she was Minister of Education, whether she wanted to be Prime Minister she replied: "No — this job is tough enough." *Women's Own*, August 6, 1977.

As you can see, advertisers of alcohol are not given much licence!

To advertise alcohol, you have to keep on the straight and narrow, as can be seen from the rules on this page.

They appear in the British Code of Advertising Practice. In it are many rules, not just affecting the advertising of alcohol. They govern all advertisements which appear in the press, in direct mail, in print, on posters and cinema commercials.

The Code is used by the Advertising Standards Authority whose job it is to protect the public from unacceptable advertising. And, as its name suggests, to keep advertising standards high.

Amongst other things, the ASA responds to consumers' complaints about advertisements, and this briefly is the way the system works.

Members of the public can write in to us to complain about any advertisement they find unacceptable. If, after investigation, we find the advertisement contravenes the Code, we instruct the

- ### Appendix J Advertising for alcoholic drinks
- Introduction**
- 1.1 Moderate drinking is widely enjoyed and helps to make social occasions cheerful and pleasant.
 - 1.2 The Alcoholic Drinks Industry, with others, is aware that a small, but significant minority cause harm to themselves and others through misuse of alcohol. They share the concern about this social problem, the causes of which are complex and varied. There is no evidence connecting such misuse with the advertising of alcoholic drinks.
 - 1.3 The industry is concerned that its advertisements should not exploit the immature, the young, the socially insecure, or those with physical, mental or social incapacity. The industry accepts that its advertising should be socially responsible and should not encourage excessive consumption.
 - 1.4 The industry believes that it is proper for advertisements for alcoholic drinks:
 1. to indicate that they give pleasure to many, are of high quality and are widely enjoyed in all classes of society;
 2. to seek to persuade people to change brands and/or types of drinks;
 3. to provide information on products;
 4. to employ such accepted techniques of advertising practice as are employed by other product groups and are not inconsistent with the detailed rules.
- Implementation and Interpretation**
- 2.1 The industry has therefore proposed the following rules for inclusion in the British Code of Advertising Practice. The CAP Committee has accepted this proposal and the Advertising Standards Authority has agreed to supervise the implementation of the rules.
 - 2.2 The rules are to be interpreted in the light of the considerations set out in paragraphs 1.1 to 1.4 above. So far as the scope and general interpretation of the rules is concerned, the provisions of the British Code of Advertising Practice apply, as they do to those aspects of advertisements for drink not covered by the rules.
 - 2.3 "Drink" for the purposes of this Appendix is to be understood as referring to alcoholic beverages and their consumption.
- Rules**
- 3.1 Advertisements should not be directed at young people nor in any way encourage them to start drinking. Anyone shown drinking must appear to be over 21. Children should not be depicted in advertisements except where it would be usual for them to appear (e.g. in family scenes or in background crowds) but they should never be shown

- drinking alcoholic beverages, nor should it be implied that they are.
- 3.2 Advertisements should not be based on a dare, nor impute any failing to those who do not accept the challenge of a particular drink.
- 3.3 Advertisements should not emphasise the stimulant, sedative or tranquillising effects of any drink, nor imply that it can improve physical performance. However, references to the refreshing attributes of a drink are permissible.
- 3.4 Advertisements should not give the general impression of being inducements to prefer a drink because of its higher alcohol content or intoxicating effect. Factual information for the guidance of drinkers about such alcoholic strength may, however, be included.
- 3.5 Advertisements may emphasise the pleasures of companionship and social communication associated with the consumption of alcoholic drinks, but it should never be implied that drinking is necessary to social or business success or distinction, nor that those who do not drink are less likely to be acceptable or successful than those who do. Advertisements should neither claim nor suggest that any drink can contribute towards sexual success, or make the drinker more attractive to the opposite sex.
- 3.6 Advertisements should not associate drink with driving or dangerous machinery. Specific warnings of the dangers of drinking in these circumstances may, however, be used.
- 3.7 Advertisements should not encourage or appear to condone overindulgence. Repeated buying of large rounds should not be implied.

advertiser to amend or withdraw it.

If you'd like to know more about the Code affecting alcohol advertising or about us, or if you have any cause to complain about an advertisement, we'd like to hear from you.

If an advertiser breaks any one of the rules, we won't let him get off lightly.

The Advertising Standards Authority.
If an advertisement is wrong, we're here to put it right.

ASA Ltd, Brook House, Torrington Place, London WC1E 7HN.

Question of immoral purpose is intentionally homeless by quitting before eviction for the jury to decide

Regina v Grey
Before Lord Lane, Lord Chief Justice, Mr Justice Taylor and Mr Justice McCullough.
[Judgment delivered November 26]

The question whether the purposes of homosexual activity were "immoral purposes" within section 32 of the Sexual Offences Act 1956 was a jury question, and when a jury refused to leave the question to the jury and directed them that such purposes were immoral, there was both a material irregularity in the course of the trial and a misdirection by the judge.

The Court of Appeal so held in a reserved judgment dismissing an appeal by James Burns McWilliams Grey, aged 31, an accounts clerk of Earl's Court, London, from conviction at the Central Criminal Court (Judge Clarke) of having contravened section 32 of the Sexual Offences Act 1956 in August 1979. An appeal against sentence of nine months' imprisonment suspended for two years was allowed and a fine of £100 substituted.

Mr Brian Langstaff (assigned by the Registrar of Criminal Appeals) for the appellant, Mr Stephen Clayton for the Crown.

The LORD CHIEF JUSTICE said that the prosecution evidence was that a plain clothes police officer was waiting in a doorway in Earl's Court at night, when, as frequently occurred then, many male homosexuals were congregating outside a public house. The appellant, who was sauntering around and smiling at and speaking to other people, then smiled at the officer, clearly believing him to be a homosexual. After a short conversation the officer was invited by the appellant back to his flat where, he said, there was whisky and they could both spend the night. His purpose could only have been that they should have homosexual relations at the flat.

The appellant in evidence stated that he had gone to the place hoping to find a shop open where he could buy food for his cat and, being a homosexual, liked to view the spectacle outside the public house. He spoke only to the officer and invited him to the flat for whisky but had not said anything about staying the night and, he said, his purpose was to have homosexual relations.

On the contrary, the officer

looked miserable and out of place and, the appellant thought, might be having difficulty in coming to terms with a homosexual condition and be helped by conversation with someone who had experienced the same problems. The appellant was a former member of an organization which gave advice to homosexuals.

The judge made it clear to the jury that they should not convict the appellant unless they were sure that his purpose was to engage in some homosexual activity with anyone he might persuade to go home with him.

When Mr Langstaff had begun to ask the jury to consider whether they were sure that the appellant's purpose, if it was to engage in such activity, amounted to "immoral purposes", he was interrupted by the judge and told in the jury's presence that he proposed to direct them that as a matter of law such purposes were immoral. He refused to hear argument in the jury's absence, and in summing up as good as told the jury that such purposes were immoral.

In *R v Ford (Graham)* ([1977] 1 WLR 803) the question had been left to the jury and whether it was necessary to do so was not in argument. In *Crook v Edmondson* ([1966] QB 81) two members of the court apparently treated the question as one of law. Without expressing any view whether that decision was right, their Lordships said that the question was one for the jury.

The judge directed the jury that it was no longer an offence for two adult males to behave sexually with each other in private but had in effect said that, if the purpose of one was to take another home for private homosexual activity, they might think, although it was a matter for them, that despite the fact that such activity was lawful the purpose was immoral.

Their Lordships were satisfied that Mr Langstaff was right in saying that the judge failed to leave the question to the jury. There was, therefore, both a material irregularity in that he was prevented from deploying his argument, and a misdirection. His Lordship reviewed the legislative history from 1896 and stated that from 1967 onwards Parliament's intention or contemplation could not have been that, whereas soliciting in public for the purposes of heterosexual prostitution was to remain

unlawful, it would or might be lawful for some homosexuals and even some homosexual prostitutes to solicit in public.

Whether *Crook v Edmondson* was correctly decided, Parliament in using the phrase "immoral purposes" had no intention of excluding importuning by males for the purposes of engaging in homosexual activity.

Plainly from the verdict the jury rejected the appellant's evidence and accepted the police officer's. That being so, their Lordships had to ask themselves whether they thought it possible that, having heard Mr Langstaff's argument and having been properly directed, the jury could have done other than convict.

In asking themselves that question their Lordships were conscious of the fact that in the field of contemporary morals judges might not be best fitted to assess the attitudes of the mass of right thinking members of society. But the views of Parliament might be regarded as reflective of such opinion, and since 1967 they found strong confirmation of their own belief as to the attitudes of society in general.

It was a belief shared by the members of the court in *Ford* and, more importantly, by every member of the jury who tried that case. For those reasons their Lordships had concluded that, once the appellant's evidence was rejected and that of the officer accepted, the jury would inevitably have convicted. On that aspect of the matter there was nothing unsafe or unsatisfactory about the conviction.

It was a case in which it would be right to apply the proviso to section 2 (1) of the Criminal Appeal Act, 1968 and to dismiss the appeal against conviction on the ground that no miscarriage of justice had occurred.

Solicitors: Solicitor, Metropolitan Police.

Dia and Another v Mayor and Burgesses of the London Borough of Wandsworth
Before Lord Wilberforce, Lord Fraser of Tullybelton, Lord Russell of Killowen, Lord Lowry and Lord Bridge of Harwich.
[Speeches delivered November 26]

The House of Lords by a majority (Lord Russell and Lord Bridge dissenting), held that under the Housing (Homeless Persons) Act 1977 a local housing authority was entitled to treat an applicant as having rendered himself intentionally homeless where he had moved out of a house voluntarily instead of staying on until he was evicted by a court order for possession.

The House dismissed an appeal by Mr Tai Dia and his wife from the Court of Appeal (Lord Justice Waller and Lord Justice Goffman, Lord Justice Donaldson dissenting, *The Times*, June 30), which had allowed an appeal by Wandsworth Council from a decision of the Wandsworth County Court under the Housing (Homeless Persons) Act 1977. The Dia family, with four children, moved into accommodation in Trinity Road, Wandsworth, in 1977, but they got into difficulties over the payment of rent and rates. They sought advice from the local housing authority and were advised that before they could be helped there would have to be a court order.

In August 1979, the Dia family left Trinity Road and went to live with a relative in a flat in Upminster which was far too small for a prolonged stay. Mr Dia had hoped to get employment at Ford Motors at Dagenham, but was unsuccessful. He returned in November to his former job in Wandsworth. Commuting from Upminster proved too expensive, so he took a temporary room in Wandsworth. By December, the tensions in the Upminster flat were such that his family had to leave.

On December 20, Mr Dia and his wife went to Wandsworth and centre claiming to be homeless. The authorities made inquiries and decided that the family were intentionally homeless within the terms of section 17 of the 1977 Act.

Judge White, in his action for damages and an injunction, said that the family's application was not made until about four months after they first became homeless and that by the end of December they would have been homeless in any event. He concluded that the council had not taken that fact into account, for if they had done so they

could not have decided that the family were intentionally homeless. He awarded them interest, damages and a declaration that the local authority's determination was void. The Court of Appeal by a majority reversed that order.

Section 17 provides: "(1) ... for the purposes of this Act a person becomes homeless intentionally if he deliberately does or fails to do anything in consequence of which he ceases to occupy accommodation which is available for his occupation and which it would have been reasonable for him to continue to occupy ..."

"(3) An act or omission in good faith on the part of a person who is unaware of any relevant fact is not to be treated as deliberate for the purposes of subsection (1) ..."

"(4) Regard may be had, in determining for the purposes of subsection (1) whether a person has deliberately done or failed to do anything, to whether it would have been reasonable for a person to continue to occupy accommodation, to the general circumstances prevailing in relation to housing in the area of the housing authority to whom he applied for accommodation or for assistance in obtaining accommodation."

Mr Stephen Sedley and Mr Nicholas Blake for the appellants, Mr Anthony Scriven QC, and Mr Geoffrey Stephenson for the local authority.

LORD WILBERFORCE, dismissing the appeal, said that the question was, or ought to be, whether the housing aid centre in refusing the Dias' application in December 1979 on the ground that they were intentionally homeless acted in law. His Lordship said "ought to be" because the procedure adopted by the Dias was to sue the local authority in the county court for damages and a mandatory injunction to house them. That resulted in a trial with witnesses of issues of fact.

The 1977 Act was an important measure imposing for the first time on housing authorities a duty to accommodate or assist homeless persons. There had been previous legislative provisions for the benefit of the homeless but they suffered from weakness of definition and of means of enforcement. The 1977 Act made use of provisions of the Housing Act 1957 relating to families occupying unsatisfactory housing conditions by bringing homeless persons within it and imposing on local authorities independent duties under that Act.

In applying and interpreting

the 1977 Act it was important to bear in mind:

(1) It was designed for the expressed purpose of bringing together a complex of duties which local authorities owed to categories of persons seeking housing. Those persons were normally placed on a waiting list and were given accommodation on a points system of priority. Inevitably, allocation of priority housing to homeless persons must have the effect of deferring the hopes of persons in other categories, some of whom might have been waiting for a long time.

(2) A decision against priority treatment under the Act did not mean that nothing could be done for the homeless applicant. They could join the waiting list for a council tenancy - Mrs Dia did so in June 1979 - or they could seek accommodation in the private sector. With advice, they could seek private sector housing, with temporary accommodation meanwhile.

(3) The Act recognised, conditions might and did differ greatly from one authority to another, and those might be taken into account. The Act must be interpreted in the light of those matters, with liberty having regard to its social purposes, and also with recognition of the claims of others and the nature and scale of local authorities' responsibilities.

It appeared that the Secretary of State had power under section 12 to give guidance to local authorities, and that he had issued a prescribed code of guidance. That code stated that it was for the authorities to satisfy themselves whether the applicant became homeless intentionally and that careful and sensitive inquiries would be important.

LORD FRASER, concurring in dismissing the appeal, said that the question was, was the applicant homeless, or was he not? The fact that he was homeless at the date of the inquiry, if he actually became homeless, was not the fact that he might, or would, have been homeless for other reasons at the date of the inquiry was irrelevant.

LORD RUSSELL, for allowing the appeal, said that the correct conclusion was that the Dias were not homeless. The crucial question in the appeal was raised by the fact that by December 1979, the Dia family would in any event have been evicted from Trinity Road accommodation. In his Lordship's view the Dias' case was the opposite of the present case.

His Lordship understood the reasoning of those of their Lordships with whom he differed but he preferred to consider the statute more broadly, though not seeking to add to the language. The inquiries and conclusions of the authority failed to be made at (or after) the application. Was the applicant then homeless? Had he then a priority need?

In his Lordship's opinion the investigation of the question whether he became homeless intentionally, which was to be made at the time, was directed to why he was homeless then. If on the facts established in the present case the applicant would be homeless in any event, the past circumstances in which the homelessness originated appeared to be no longer relevant.

LORD LOWRY, dismissing the appeal, commented on the volume of litigation resulting from decisions of housing authorities in their administration of the Act. All that strongly indicated the need for Parliament to review the legislation in the light of experience.

There was here no question of queue-jumping or other commercial conduct. But applying the law to the facts his Lordship was coerced to hold that the applicants lost their priority by becoming homeless in a relevant way.

LORD BRIDGE, for allowing the appeal, said that it raised the question of how the 1977 Act applied to a person with a priority need who voluntarily left accommodation prematurely. That expression was used to describe the action of a person whose tenure of accommodation had become so precarious, owing to circumstances for which he could not be held responsible, that he could not reasonably be expected to remain in it for a period he would have to leave in any event, but who chose to move out at a time when the housing authority could properly con-

clude that it would have been reasonable for him to continue in occupation.

The Act, as amended, conferred great benefits on one category of persons in need of housing, to the detriment of others. So it did not seem unreasonable that, in order to benefit from the priority provisions, persons in the first category should bring themselves within the plain words. Failure to do so involved greater expense for a hard pressed authority, and greater pressure on the housing stock.

The applicants' interpretation added greatly to the local authority's difficulty in administering the Act. It required the authority, as was investigating the original and actual cause of homelessness, to inquire into hypotheses involving uncertain attitudes of landlords, rating authorities, the applicants themselves, and even intervening physical events. On the other hand, the council's contention involved a straightforward inquiry into circumstances which the applicants became homeless.

The applicants' argument was not assisted by *Regina v Grey*. That case merely decided that a disqualification for priority by reason of an intentional surrender was not displaced by obtaining temporary accommodation, since it could be displaced by obtaining "settled" accommodation.

It did not follow from accepting the local authority's argument that the Dias were not homeless before a notice to quit took effect would be held to be intentionally homeless.

His Lordship agreed therefore with the majority of the court of Appeal in holding that the present case fell squarely within the provisions of the Act as to intentional homelessness, and there was no justification from reading those provisions other than in their natural sense. He would dismiss the appeal.

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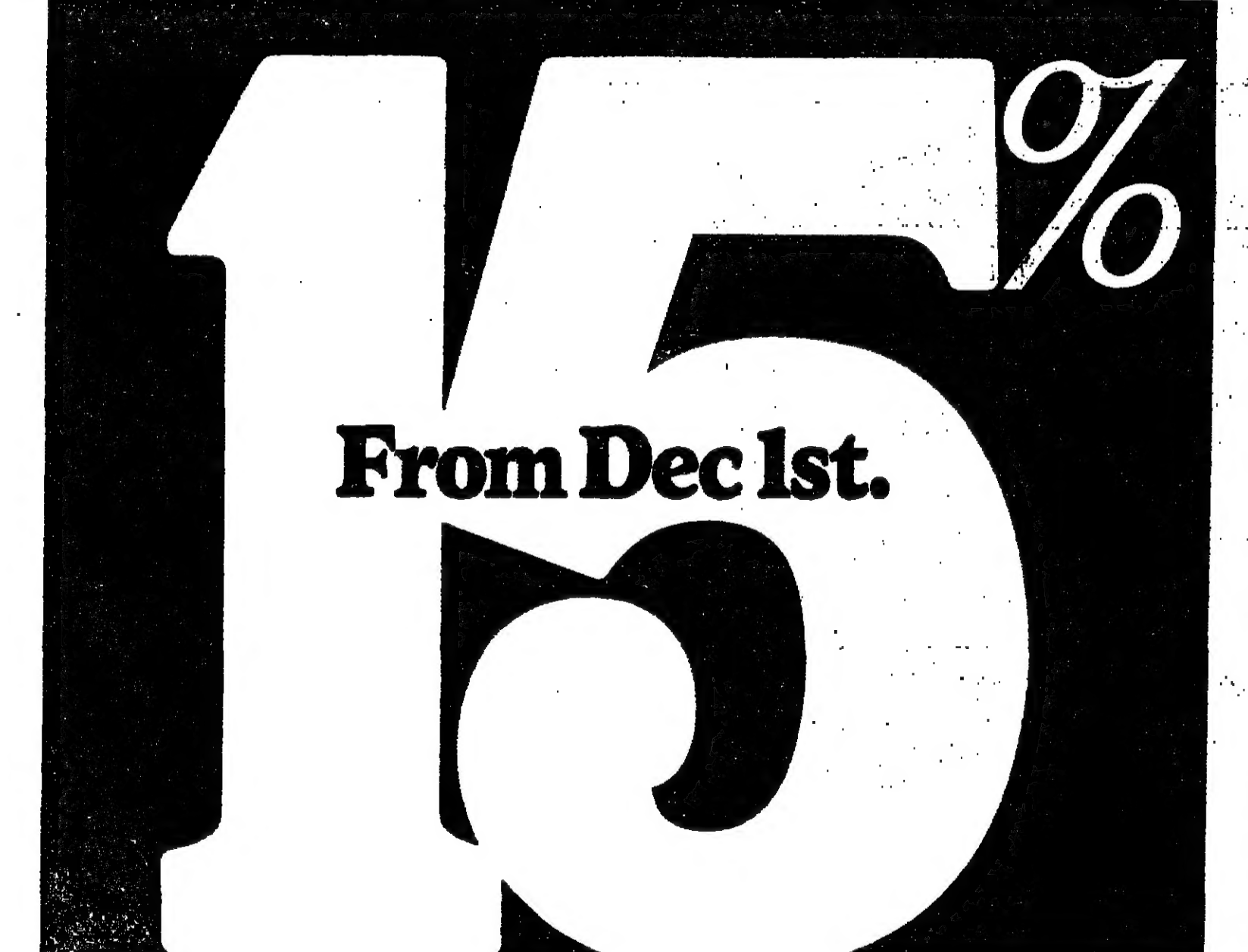
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The big, simple way to save with a National Savings Bank Investment Account.

On December 1st, the interest rate for all National Savings Bank Investment Account holders goes up to 15% p.a., and matches the highest rate we have ever paid. To benefit from the new rate as soon as it is introduced, you must invest by November 30th.

An NSB Investment Account gives you big interest rates - paid in full.

Start right now. It's quick and simple.

Simple to start

Just go to your post office, fill in a simple form and make your deposit. Start with as little as £1 - cash or cheque. Cheques made payable to you are also acceptable as a deposit.

Every pound you invest earns interest from the first of the month following the deposit, and for every full calendar month it remains invested. And you can withdraw it at one month's notice.

The maximum you can invest is £200,000.

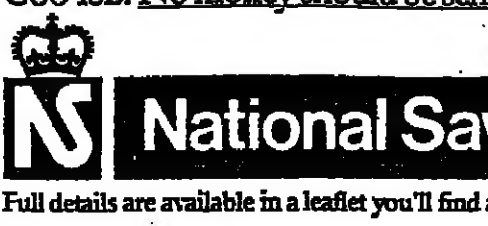
Is the interest paid in full?

Yes. Some investments pay interest "tax paid," with income tax already deducted. Even if you are not liable to pay tax, it's not always possible to get it back. Our interest, though taxable, is paid in full.

This is a significant benefit to private investors who don't pay tax - children as well as adults - and tax-exempt organisations.

Now open to commercial investors

Registered companies and other corporate bodies are also eligible to open an Investment Account. Applications should be made direct to the National Savings Bank, SOC/COM Glasgow G58 1SB. No money should be sent at this stage.



Full details are available in a leaflet you'll find at any post office.

Solicitor as agent

Lawrence Chemical Company Ltd v Rubinstein and Others.
A declaration signed by a solicitor on behalf of a company that goods and chattels stored on industrial premises were subject to a lien in favour of the company, which had been levied by the superior landlord for arrears of rent, was not binding on the company under the provisions of section 1 of the Law of Distress Amendment Act 1908. The Court of Appeal (Sir Justice Goffman, Lord Justice Donaldson and Lord Justice Goffman) allowed an appeal by Mr Justice McNeill from a decision of the Wandsworth County Court.

THE PRESIDENT said that Mr Justice McNeill had taken the view that the declaration had to be signed by a director or secretary of the company, and that it would not be binding on the company if it was signed by a solicitor. In the present case the company had been authorised by oral instruction from its director of the company. The principle of

agency applied. There was a sufficient compliance with the requirements of the Act of 1908 by the signing of the declaration by the solicitor who was the duly authorised agent of the company. Lord Justice O'Connor and Sir Stanley Reed agreed.

NO 'YORK' IN TRADE MARK

In re York Trailer Holdings Ltd.
The House of Lords (Lord Wilberforce, Lord Fraser of Tullybelton, Lord Russell of Killowen, Lord Lowry and Lord Bridge of Harwich) allowed an appeal by Mr Justice Goffman from the Registrar of Trade Marks and held that an application by a manufacturer to register a trade mark incorporating the word "York" had been correctly refused by the Registrar. Lord Wilberforce (1981) 1 All ER 1000, 1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008, 1009, 1010, 1011, 1012, 1013, 1014, 1015, 1016, 1017, 1018, 1019, 1020, 1021, 1022, 1023, 1024, 1025, 1026, 1027, 1028, 1029, 1030, 1031, 1032, 1033, 1034, 1035, 1036, 1037, 1038, 1039, 1040, 1041, 1042, 1043, 1044, 1045, 1046, 1047, 1048, 1049, 1050, 1051, 1052, 1053, 1054, 1055, 1056, 1057, 1058, 1059, 1060, 1061, 1062, 1063, 1064, 1065, 1066, 1067, 1068, 1069, 1070, 1071, 1072, 1073, 1074, 1075, 1076, 1077, 1078, 1079, 1080, 1081, 1082, 1083, 1084, 1085, 1086, 1087, 1088, 1089, 1090, 1091, 1092, 1093, 1094, 1095, 1096, 1097, 1098, 1099, 1100, 1101, 1102, 1103, 1104, 1105, 1106, 1107, 1108, 1109, 1110, 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1119, 1120, 1121, 1122, 1123, 1124, 1125, 1126, 1127, 1128, 1129, 1130, 1131, 1132, 1133, 1134, 1135, 1136, 1137, 1138, 1139, 1140, 1141, 1142, 1143, 1144, 1145, 1146, 1147, 1148, 1149, 1150, 1151, 1152, 1153, 1154, 1155, 1156, 1157, 1158, 1159, 1160, 1161, 1162, 1163, 1164, 1165, 1166, 1167, 1168, 1169, 1170, 1171, 1172, 1173, 1174, 1175, 1176, 1177, 1178, 1179, 1180, 1181, 1182, 1183, 1184, 1185, 1186, 1187, 1188, 1189, 1190, 1191, 1192, 1193, 1194, 1195, 1196, 1197, 1198, 1199, 1200, 1201, 1202, 1203, 1204, 1205, 1206, 1207, 1208, 1209, 1210, 1211, 1212, 1213, 1214, 1215, 1216, 1217, 1218, 1219, 1220, 1221, 1222, 1223, 1224, 1225, 1226, 1227, 1228, 1229, 1230, 1231, 1232, 1233, 1234, 1235, 1236, 1237, 1238, 1239, 1240, 1241, 1242, 1243, 1244, 1245, 1246, 1247, 1248, 1249, 1250, 1251, 1252, 1253, 1254, 1255, 1256, 1257, 1258, 1259, 1260, 1261, 1262, 1263, 1264, 1265, 1266, 1267, 1268, 1269, 1270, 1271, 1272, 1273, 1274, 1275, 1276, 1277, 1278, 1279, 1280, 1281, 1282, 1283, 1284, 1285, 1286, 1287, 1288, 1289, 1290, 1291, 1292, 1293, 1294, 1295, 1296, 1297, 1298, 1299, 1300, 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319, 1320, 1321, 1322, 1323, 1324, 1325, 1326, 1327, 1328, 1329, 1330, 1331, 1332, 1333, 1334, 1335, 1336, 1337, 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, 1347, 1348, 1349, 1350, 1351, 1352, 1353, 1354, 1355, 1356, 1357, 1358, 1359, 1360, 1361, 1362, 1363, 1364, 1365, 1366, 1367, 1368, 1369, 1370, 1371, 1372, 1373, 1374, 1375, 1376, 1377, 1378, 1379, 1380, 1381, 1382, 1383, 1384, 1385, 1386, 1387, 1388, 1389, 1390, 1391, 1392, 1393, 1394, 1395, 1396, 1397, 1398, 1399, 1400, 1401, 1402, 1403, 1404, 1405, 1406, 1407, 1408, 1409, 1410, 1411, 1412, 1413, 1414, 1415, 1416, 1417, 1418, 1419, 1420, 1421, 1422, 1423, 1424, 1425, 1426, 1427, 1428, 1429, 1430, 1431, 1432, 1433, 1434, 1435, 1436, 1437, 1438, 1439, 1440, 1441, 1442, 1443, 1444, 1445, 1446, 1447, 1448, 1449, 1450, 1451, 1452, 1453, 1454, 1455, 1456, 1457, 1458, 1459, 1460, 1461, 1462, 1463, 1464, 1465, 1466, 1467, 1468, 1469, 1470, 1471, 1472, 1473, 1474, 1475, 1476, 1477, 1478, 1479, 1480, 1481, 1482, 1483, 1484, 1485, 1486, 1487, 1488, 1489, 1490, 1491, 1492, 1493, 1494, 1495, 1496, 1497, 1498, 1499, 1500, 1501, 1502, 1503, 1504, 1505, 1506, 1507, 1508, 1509, 1510, 1511, 1512, 1513, 1514, 1515, 1516, 1517, 1518, 1519, 1520, 1521, 1522, 1523, 1524, 1525, 1526, 1527, 1528, 1529, 1530, 1531, 1532, 1533, 1534, 1535, 1536, 1537, 1538, 1539, 1540, 1541, 1542, 1543, 1544, 1545, 1546, 1547, 1548, 1549, 1550, 1551, 1552, 1553, 1554, 1555, 1556, 1557, 1558, 1559, 1560, 1561, 1562, 1563, 1564, 1565, 1566, 1567, 1568, 1569, 1570, 1571, 1572, 1573, 1574, 1575, 1576, 1577, 1578, 1579, 1580, 1581, 1582, 1583, 1584, 1585, 1586, 1587, 1588, 1589, 1590, 1591, 1592, 1593, 1594, 1595, 1596, 1597, 1598, 1599, 1600, 1601, 1602, 1603, 1604, 1605, 1606, 1607, 1608, 1609, 1610, 1611, 1612, 1613, 1614, 1615, 1616, 1617, 1618, 1619, 1620, 1621, 1622, 1623, 1624, 1625, 1626, 1627, 1628, 1629, 1630, 1631, 1632, 1633, 1634, 1635, 1636, 1637, 1638, 1639, 1640, 1641, 1642, 1643, 1644, 1645, 1646, 1647, 1648, 1649, 1650, 1651, 1652, 1653, 1654, 1655, 1656, 1657, 1658, 1659, 1660, 1661, 1662, 1663, 1664, 1665, 1666, 1667, 1668, 1669, 1670, 1671, 1672, 1673, 1674, 1675, 1676, 1677, 1678, 1679, 1680, 1681, 1682, 1683, 1684, 1685, 1686, 1687, 1688, 1689, 1690, 1691, 1692, 1693, 1694, 1695, 1696, 1697, 1698, 1699, 1700, 1701, 1702, 1703, 1704, 1705, 1706, 1707, 1708, 1709, 1710, 1711, 1712, 1713, 1714, 1715, 1716, 1717, 1718,

Moscow detects change of tone in Washington

From Michael Binyon, Moscow, Nov 26

The Russians today openly acknowledged that President Reagan's visit to Bonn ended in disagreement on the central issue of arms control in Europe, but declared the talks a success because both sides had tried to build bridges rather than deepen chasms.

At the same time a leading Soviet ideologist and several influential newspapers have significantly moderated their attacks on President Reagan's recent proposals for arms control, and spoken of a change of tone in Washington. Though the change cannot be linked directly to the Bonn talks, the Russians are clearly ready to approach the Geneva negotiations more constructively than a week ago.

Mr Brezhnev returned to a warm welcome yesterday. The Soviet press immediately hailed the results of his visit, his third to West Germany within a decade, as a pointer to the future and a reaffirmation of the principle of good-neighbourly relations. As expected, the Soviet leader has been effusively praised for his "mission of goodwill".

For Moscow, the visit has achieved several important things. On the eve of the Geneva talks it has put the Soviet viewpoint in the forefront of the world's attention, and the Russians have heard Herr Helmut Schmidt, the influential West German Chancellor, publicly declare the Soviet Union to be sincere in its search for peace.

It has shown that in spite of Afghanistan the Russians are still able to engage in serious dialogue with the West. It has underlined the importance of Soviet-West German relations, especially in the economic field, and thus preserved the cornerstones of Mr Brezhnev's policy of détente, a word now used again by Herr Schmidt.

It has demonstrated to Russians at home that Mr Brezhnev, who is nearly 75 and frequently in poor health, is still able to cope with complex issues and lead sensitive negotiations overseas.

Nevertheless, the differences between both sides have been bluntly acknowledged, both in the final communiqué and in the Soviet Press. If the Russians were looking for a wavering in the West German commitment to accept new Nato missiles, they were disappointed.

The renewed Soviet call for a moratorium in the deployment of all medium-range weapons was again rejected. And the other Soviet proposals drew equally sparse response, whether from the West German Government or from the European peace movements on which the Russians have placed so much importance.

There has been some movement on the Soviet side, however. The Russians have had to respond to Pres-

Ceausescu sees hope for Europe

From Our Own Correspondent Washington, Nov 26

President Reagan today reaffirmed the offer he made a week ago to cancel the deployment of American medium-range nuclear missiles in Europe if the Soviet Union agreed in return to remove all of its similar missiles which are targeted against Western Europe.

Interview by Barbara Walters on NBC television, President Reagan was asked to respond to the rejection by President Brezhnev, of the offer not to go ahead with Nato's plan to deploy 572 Pershing 2 and land-based cruise missiles starting in 1983.

The President noted that although Mr Brezhnev had rejected this offer during his visit to West Germany earlier this week, he had nevertheless proposed a unilateral reduction in the number of SS20s and other Soviet medium-range missiles targeted against Western Europe.

"Well, you start bargaining from there," declared the President. "We'll negotiate in good faith, but we'll do everything we can to get it to zero." Talks on reducing medium-range missiles in Europe are to begin in Geneva.

The President said that the Russians had a direct interest in talking about reducing nuclear weapons because the United States was beginning to strengthen its own defences.

Support for Schmidt

From Patricia Clough, Bonn, Nov 26

President Reagan has told Herr Helmut Schmidt that he was very encouraged by the Chancellor's two days of talks with President Brezhnev, a Government spokesman said today.

The Chancellor reported to the President in a 20-minute telephone conversation yesterday on the outcome of the talks, which were dominated by the forthcoming missile negotiations in Geneva.

Herr Lothar Rühl, the spokesman, said President Reagan expressed his satisfaction. He said the Chancellor's firm attitude and the course the talks took were "very encouraging".

He also reiterated the point, which the Chancellor had repeatedly emphasized to the Soviet leader that the United States is determined to negotiate seriously on a

balanced reduction of medium-range nuclear missiles.

Mr Paul Nitze, the chief American negotiator will call on Herr Schmidt at his home in Hamburg on Saturday on his way to Geneva where the talks begin on Monday.

The Chancellor is expected to brief Mr Nitze on what he has learnt of the Soviet attitude to the negotiations, his probable approach and his views about any areas where they might be prepared to make concessions.

West Germany, the country most directly affected by the talks, has considerable influence on the Western negotiating position through the West special consultative group which worked out the mandate. At the same time, it will seek to influence and pressure the Soviet Union through diplomatic channels.

Geneva: Two tough protagonists in front line

The Russians will face one of America's shrewdest and toughest negotiators when talks between the two countries on reducing medium-range missiles in Europe open in Geneva on Monday (Nicholas Ashford writes from Washington).

Mr Paul Nitze earned himself the reputation of a "super-hawk" during the debate over the second Strategic Arms Limitation Treaty (Salt 2) negotiated by the Carter Administration.

But no matter how much his critics disagreed with him on this issue, they acknowledged that he did his homework assiduously and had wide experience in national security affairs.

Mr Nitze will draw on that experience in the talks on intermediate-range missiles in Europe which are expected to be lengthy and tough. As a member of the Salt 1 team, he is familiar with the negotiating approach used by the Russians in arms talks.

As a bitter critic of Salt 2, his mere presence at the negotiating table will be sufficient to tell the Russians that they cannot expect to reach an agreement which in any way might leave either the United States or its Nato allies at a disadvantage.

Urbane, articulate and silver-haired, Mr Nitze, aged 74, has served nearly all presidents since the Second World War.

Since that time, when he was vice-chairman of the United States Strategic Bombing Survey, a post that gave him a first-hand look at the effects of the atomic bombs on Japan, he has held a host of positions in government and business rising to become Deputy Secretary of Defence under President Johnson.

But it will be his experience as a member of the Salt 1 negotiating team between 1969 to 1974 that will be most important during the forthcoming talks. He resigned in 1974 when it became clear that what he called the Watergate "crimes" of President Nixon had undermined the American negotiating position.

According to an interview Mr Nitze gave to the *Christian Science Monitor*, his experience in negotiating with the Russians taught him that "they understand strength and firmness, but do not necessarily respond to unilateral restraint".

Mr Nitze became a strong critic of the Salt 2 agreement and led the campaign against its Senate ratification, because he believed it gave a clear military advantage to the Soviet Union.

He maintained that the United States had fallen badly behind the Soviet Union in the arms race as a result of Salt 2, opening up what President Reagan has described as a "window of vulnerability".

Mr Nitze's first talks will be to explain to the Russians President Reagan's offer to forgo the deployment of 572 Pershing 2 and cruise missiles in Western Europe if the Soviet Union will dismantle its SS20s and similar medium-range missiles.

President Brezhnev has rejected this challenge and has instead offered to reduce unilaterally "a certain portion" of the Soviet Union's medium-range missile force. This is an offer which Mr Nitze is likely to treat with extreme caution.



Paul Nitze: Super-hawk who does homework.

President Reagan said yesterday that he is convinced that if Geneva has a chance of success, it is because the United States has decided to re-arm.

"I think one of the things going for us in these negotiations is that this is the first time that we have sat at the table opposite them in which they have got some interest in coming together in the negotiations because we are not busily disarming ourselves," he said in a television interview.

"Now they know that we have the determination to go ahead... on this defence programme."

The Soviet Union has picked one of its cleverest young diplomats for Geneva (Our Foreign Staff writes). Outwardly Mr Yuli Aleksandrovich Kvitsinsky, who is 45, fits many people's ideas of the typical Soviet diplomat.

He is pale, pudgy and somewhat untidy-looking. When the situation demands it, he can be as dull, cold, plodding and stubbornly repetitive as the apparition of the old textbooks. But he can also open up when necessary, and in private he can be witty and amusing, with a good fund of jokes.

Westerners who have come into contact with him regard him as a skilled professional diplomat, exceptionally clever and well aware of the fact. He has a quick mind and a well-sharpened ability to spot weakness in an opponent's argument.

He does not suffer from the "tunnel vision" of earlier generations of Soviet diplomats. He has a good understanding of the Western world, and particularly of West Germany, where he served from 1978 as number two in the Soviet embassy.

He is also no stranger to East-West negotiations. He was on the Soviet delegation which negotiated the Quadripartite Agreement on Berlin, signed in 1971. He also served briefly in 1973 at the Vienna talks on troop reductions in Europe, and was an adviser to the Soviet delegation at the United Nations General Assembly in 1976.

Born on September 28, 1936, into a family which moved from Poland to Russia in the last century, he claims to speak Polish, and knows some English. He studied German and Norwegian (which he also speaks well) at Moscow University.

and literature. He smokes and



Yuli Kvitsinsky: Will spot any weakness.

drinks but is self-disciplined by Russian standards. As a negotiator he will be under close instruction from Moscow but he is thought sufficiently well trusted to be allowed some room for flexibility. His personality will also be important in his reporting back to Moscow, which doubtless chose him as a person able to deal with the exceptionally complex issues at stake in the talks.

Among the open questions is whether he will exploit his case to the West German public through press or television interview, though this would mean a break with normal Soviet diplomatic practice.

Spain wins approval for joining Nato

From Richard Wigg Madrid, Nov 26

The Spanish Government obtained final approval today with a 106 to 60 vote in the Senate for its main foreign policy initiative—joining Nato.

This clears the way for Madrid to send a signal to Brussels, perhaps from tomorrow's Cabinet meeting, in time for the Nato ministerial council meeting which begins on December 10.

The lower house of the Spanish Parliament gave its approval on October 29. On both occasions the Socialists voted against, having promised to hold a referendum on the issue should the opposition party win power at the next general election. A referendum was refused by the Caelo Sotelo Government.

The Senate confirmed the stipulation that there will be no Nato nuclear weapons on Spanish soil but the approved text leaves to parliament an eventual revision of this article. Madrid had hoped to win approval to join Nato last month.

It now seems likely that the governments of Nato member countries will warmly welcome the Spanish initiative, with the formal signing in the new year.

The government badly needed today's success because it suffered its first serious defeat in Parliament last night as the lower house debates the budget. Five members of the breakaway Social Democratic wing of the ruling party completely surprised the Government by siding with the opposition in a snap vote.

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MIDDLE EAST IN THE BALANCE

Counting the cost of Saudi failure

From Geoffrey Morrison, Fez, Nov 26

Delegations to the aborted Arab summit were packing their bags here today. The main debate among delegates was to decide who had won and who had lost.

This year's Arab summit, originally expected to last three days, collapsed after only five and a half hours, broken by the Arab world's deep disagreement about the Saudi formula for peace in the Middle East.

Arab hard-liners, such as Libya, Iraq and Syria, were in no doubt that the decision of King Hassan of Morocco to suspend the summit indicated a victory for the Saudis.

They bitterly opposed Crown Prince Fahd's eight-point peace plan which by recognizing the right of all states in the region to live in peace was widely interpreted as offering implicit recognition to Israel.

Mr Abdul Ati al-Osidi, the Libyan Foreign Minister, said today: "We consider that the plan has been completely wiped out and we hope that it will not be discussed again."

But he added: "I wish the summit had rejected the plan so we can get rid of its implications once and for all."

Conference sources said the decision to break off the summit was taken by King Hassan, the conference chairman, in consultation with Prince Fahd, both of them realizing that wholehearted endorsement of the plan was impossible.

Only agreement at the highest level can ensure that the summit was seriously weakened by the fact that seven of the 20 states represented failed to send their head of state or chief executive.

The final blow to any realistic hope of success came only hours before the conference opened with the announcement that President Assad of Syria would not attend, despite previous indications that he would attend.

Conference sources said that at one point during a heated exchange with Mr Abdul Halim Khaddam, Syria's Foreign Minister and chief delegate, King Hassan emphasized the subordinate status of a foreign minister by holding up a pen before him and declaring "with this pen I can make peace or war."

Despite the diplomatic debacle, the long and at times byzantine search for Arab consensus continues. Of particular interest today was a reliable report that Mr Yasser Arafat, the leader of the Palestine Liberation Organization, and Crown Prince Fahd were holding private talks.

Israel gloats quietly over collapse of Arab summit in Fez

From Christopher Walker, Jerusalem, Nov 26

The collapse of the twelfth Arab summit in Fez has given considerable satisfaction to an Israeli Government which had been growing increasingly concerned about the influence of Saudi Arabia over the Reagan Administration and other Western governments.

A senior Israeli official claimed today that the breakdown demonstrated the lack of Saudi influence in the Arab world, the low opinion which many Arab governments held of the Saudi leadership, and the fact that oil money did not necessarily equal influence among the Arab nations.

The official, who was briefing correspondents on Israel's analysis of the manoeuvrings at Fez, said: "It demonstrated clearly just what you can and cannot get out of Saudi Arabia. The Saudis have put a lot of energy in trying to win acceptance for their ideas. For them, it is a real setback."

Although it has not been said publicly, there is a widespread hope in Israel that the collapse of the summit will provide a lesson to those Western nations, particularly America and Britain, which have recently invested arms and political faith in backing the Saudi regime.

Israel believes that the failure of the Saudis to bring round either Syria or Iraq has vindicated its argument that the Saudi Government is intrinsically weak.

The result, said the official, "is a real measure of the status and political clout of Saudi Arabia."

While regarding the collapse of the summit as a total victory for the rejectionist states, particularly Syria, Israel also sees the result of the failed deliberations as strengthening the position of the new Egyptian Government of President Mubarak in the Arab world.

Explaining this, the Israeli official said: "Because the Arab edifice is weakened, it automatically makes Egypt stronger. The result of the summit has been to demonstrate to Egypt that the Arab fold which opposed it (because of Camp David) is not as fearsome as it looked to be."

Although officials have been unable to disguise their satisfaction at what is seen here as the humiliation of the Saudis, Israeli ministers had by early tonight restrained themselves from any public gloating over the result.

At today's briefing, the senior officials (who like many other Israelis had watched the proceedings at Fez on Jordanian television) claimed that one regrettable consequence was the difficulty of seeing how, in the present circumstances, the Arab world was in a position to come to terms with Israel.

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PRO-PLO PAPER SUSPENDED

Al Fair, a pro-Palestine Liberation Organization (PLO) Arabic daily newspaper that is published in Jerusalem, was suspended today for the second time this month.

Announcing the one-month suspension order, an Israeli Ministry of Interior spokesman said that since the paper had resumed publication it had published material liable to endanger public welfare, alluding to its coverage of the murder of Yusef al-Khatib, a moderate Palestinian denounced by the PLO as a Qatari.

Mr Hannu Seniors, the editor, in a statement broadcast by Israeli radio, said the suspended article had not incited terror since it had been published in the English-language section of the newspaper. He said he would appeal.

The paper was ordered to close for 10 days on November 9 for breaches of censorship procedures.

Army chief delivers ultimatum on Sinai

From Our Own Correspondent, Jerusalem, Nov 26

Lieutenant-General Rafael Eitan, the Israeli Chief of Staff, said today that Israel would not withdraw from the remaining one-third of occupied Sinai next April if the international peacekeeping force were not established by then.

Mr Eitan, in his most forthright public comment on the matter told the Hebrew afternoon paper Maariv that he would instruct the Cabinet to block the participation of the four EEC nations when it meets to take a final decision on Sunday.

At the same time, Mr Eitan met Mr Yitzhak Shamir, the Foreign Minister, who has accepted an eleven-hour invitation to fly to Washington for talks with Mr Alexander Haig, the Secretary of State, which will centre on the threatened Israeli veto.

Mr Shamir is expected back in Jerusalem for Sunday's decision.

After his preparatory meeting with Mr Eitan and Mr Ariel Sharon, the hardline Defence Minister, Mr Shamir told reporters that there was no room for flexibility in Israel's opposition to European participation in the Force.

Mr Shamir claimed that while there were differences on the issue with the United States, there had been no American pressure on Israel.

Diplomatic observers expect the position to change when Mr Shamir reaches Washington, with Mr Haig attempting to exert maximum leverage to EEC contingent.

In his interview today, Mr Eitan explained that he will produce documents at Sunday's meeting to back his argument that the additions made by the European governments to their basic four-point offer to join the Force contradict the Camp David agreement. He is expected to win unanimous backing from his ministers.

The exact nature of the American pressure which will be exerted on Mr Shamir is still unclear. But today Israeli radio reported that America had already said refusal to allow European participation would both endanger the establishment of the Force and damage the peace process.

The Haig-Shamir meeting comes only days before Israel is hoping to sign a wide-ranging strategic cooperation pact with the United States, and there have been suggestions that the Reagan Administration may try to link this with the negotiations.

But in diplomatic circles, the feeling remains tonight that unless the four European governments offer to change their published conditions for participation, the Israeli veto permitted under the terms of Camp David will be applied.

That conviction was reinforced when Mr Shimon Peres, the Opposition leader, announced today that the Labour Alignment would support the Government in its opposition to European involvement without a change in the conditions.

Speaking after a meeting with the Prime Minister, Mr Peres said: "We think it is rather unwise and completely unnecessary for some European countries to add to Camp David some items which in a way twist the content of Camp David, and in many ways negate it."

With the exception of America, Colombia, Uruguay and Fiji all the other offers of national contingents for the 2,500-strong force are understood in some way or other to hinge on European participation.

Reagan's fight with vanity and modesty

From Nicholas Ashford, Washington, Nov 26

Home-loving, humble, a good husband and a man with a "soft touch" are some of the impressions of President Reagan conveyed to the homes of millions of Americans today during a special Thanksgiving Day interview he gave to Barbara Walters at his ranch in California.

The interview was part of a profile of the President broadcast on ABC television which also included interviews with his children and his associates.

The interview included discussion of the two men in the Reagan Administration who have been at the centre of controversy: Mr David Stockman, the Budget Director, and Mr Richard Allen, the National Security Adviser. It also covered the budget crisis, his thoughts on the greatest threat facing America and his assessment of his own performance.

The President appeared relaxed as he chatted about how he never managed to excel at school except in sport; the problems of growing up poor during the Depression with a father who was an alcoholic; and how, as a youngster, he had an annoying habit of playing with other people's wet clothes.

Mr Reagan said he had gained the reputation as a politician who only worked regular day-time hours because when he was Governor of California he always made a point of returning home at five in the evening to be with his family. "But I went home with a briefcase full of work," he said.

The President was asked how he would describe himself: "Oh, that's a terrible fight going on inside me between vanity and modesty." He felt he was a "soft touch", although he quickly added, no doubt reflecting on his use of the veto during the budget battle with Congress earlier this week, "sometimes I am stubborn, but I hope not unnecessarily so."

Asked to rate his own performance during his first months in office on a scale from "A" for excellence to "F" for failure, the President noted that he had never done better than "C" when he was in college. But he felt he moves to cut spending and taxes rated better than "C".

The President was firm in his defence of Mr Stockman: "David Stockman was not the sinner he was charged against," he said. "It was perfectly natural that Mr Stockman should get together with an old friend to discuss on a non-attribution basis the problems he faced."

The President was more guarded in his remarks about Mr Allen who is under investigation because he received \$1,000 (about £500) from a Japanese magazine for helping to arrange an interview with Mrs Nancy Reagan. He noted that the Japanese, who had arranged the payment, had corroborated everything that Mr Allen had said.

He admitted that he would have pardoned Mr Richard Nixon if he had been in President Ford's shoes. It was, he said, the sup which had to be taken to end the bitterness.

What was his toughest decision of his Presidency? It could have been last Monday's veto, knowing he was involved in a "game of chicken" with Congress which could have resulted in Government grinding to a halt.

NEWS IN SUMMARY

Oil threat to beaches in Sweden

Stockholm—An oil tanker spilt most of its cargo on the Soviet Baltic coast after running aground and breaking in half poses a pollution threat to Swedish beaches, a coastguard official said.

With light westerly winds already blowing the heavy fuel oil on to Soviet beaches, Swedish beaches 220 miles due east could be polluted if the wind changed direction, he said.

But the coastguard did not suspect pollution from the Gibraltar-registered Globe Asini, around in the Lithuanian port of Klaipeda, to be on the scale of last January's oil spill when more than 40,000 sea birds died near Goteborg.

Iran sues US over arms

Tehran—Iran has filed a \$1 billion claim against the United States for undelivered arms bought by the late Shah, according to Mr Hassan Nurbakhsh, Governor of the Iran Central Bank.

The claim, filed with an international mediation panel in the Hague, was prepared by the Defence Minister "on the basis of numerous documents showing clearly the sale of American arms to the old regime," Mr Nurbakhsh told the Iranian news agency.

China's flag flies in Hongkong

Hongkong—For the first time the national emblem of Communist China has been officially displayed in Hongkong. It was established above the entrance to the Chinese Foreign Affairs Ministry's visa office and the Chinese national flag was also unfurled.

The office is on a ground floor of the New China news agency, which is the unofficial headquarters of the Chinese Government in Hongkong. The visa office has a staff of 20 and will speed up the clearance of visas for Chinese and foreigners seeking to visit China.

Two sentenced to death

Kigali—The Rwandan security court trial of 48 people accused of plotting against President Juvenal Habyarimana has ended with two death sentences, 23 jail sentences of from two to 25 years, and 24 acquittals.

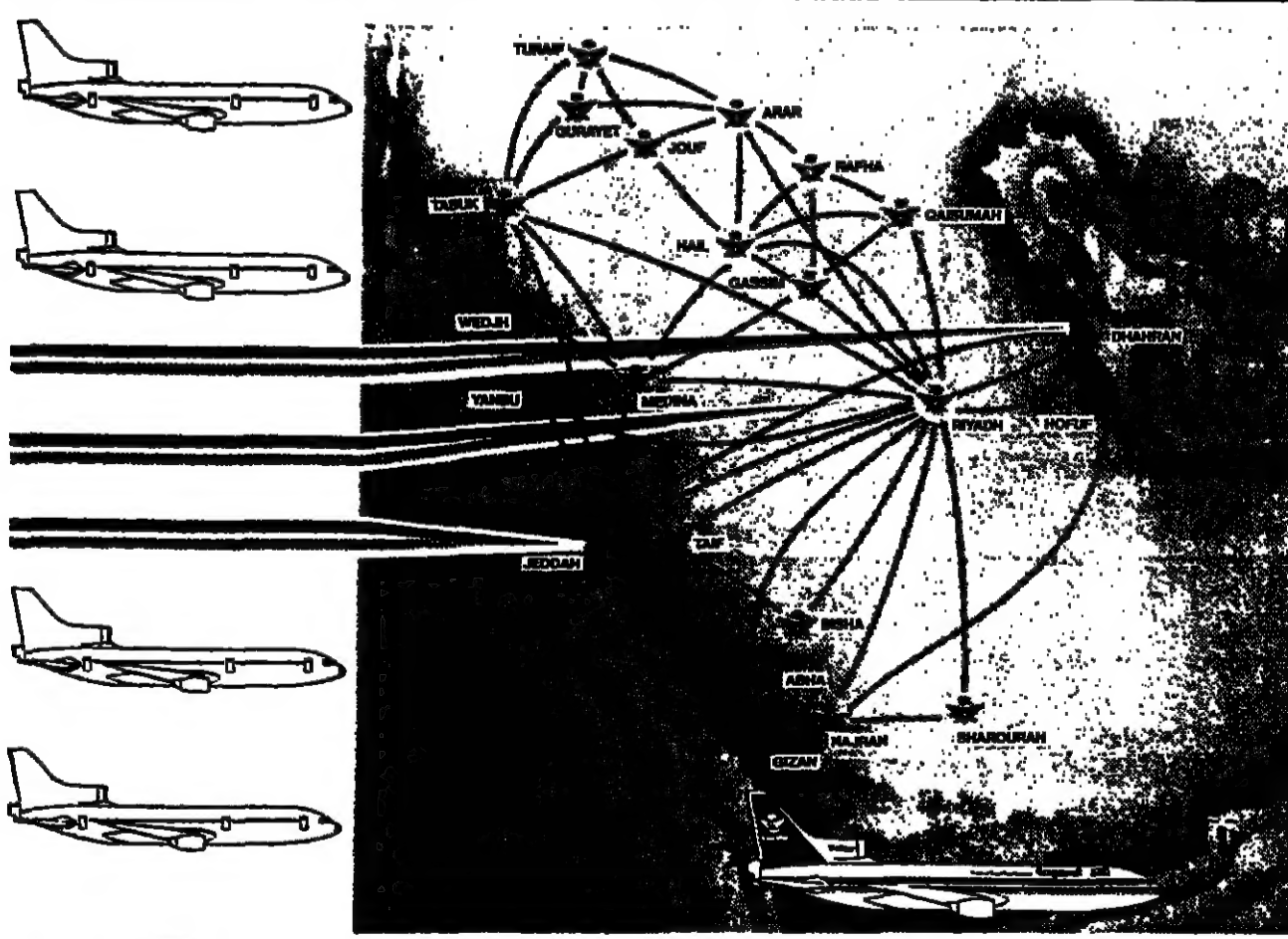
The death sentences were passed in the north-west town of Ruhengeri on Major Theogene Bizindye, a former head of security, and Alphonsse Kagame.

Football hooligans riot in Vienna

Vienna—Football hooligans, venting their anger over the local Rapid club's defeat by Real of Madrid, attacked Spanish fans, smashed vehicles and damaged other property. Some 350 youths were reportedly involved.

Laser treatment

Tokyo—Several cancer patients have been successfully treated with laser beams, two teams of Japanese doctors reported at the fourth international convention on laser surgery.



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Warning on over-use of antibiotics

From Our Correspondent, Geneva, Nov 26

The World Health Organization (WHO) is warning about the growing danger of a world-wide recrudescence of infectious diseases such as acute pneumonia, meningitis and cholera, is calling for an end to the excessive use of antibiotics, which has led to the development of resistant bacteria.

Its campaign began with a meeting here this week of bacteriologists working on aspects of antimicrobial resistance. Dr Stuart Levy, Professor of Molecular Biology and Microbiology at Tufts University Medical School, Boston, said that laboratory tests showed a threefold increase in intestinal resistant bacteria over the past five years.

WHO, a United Nations agency, is drawing up recommendations for curbing application of antibiotics, including doctors resisting "social persuasion" in prescribing. For pharmaceutical companies, Dr Levy said, this means "certain drugs will not be used to the same extent."

Dr K B Sharma, of Lady Hardinge Medical College, Delhi, said they had found resistant bacteria in 80 per cent of hospital patients and 60 per cent of staff.

Italian party congress lacks appeal

From Our Own Correspondent, Rome, Nov 26

The slow start to the Christian Democratic national assembly, called to trace the lines of renewal for Italy's leading party, is causing concern.

The assembly opened yesterday and is intended to continue until Sunday, but most of yesterday was spent listening to a 150-page introductory report read by Signor Luigi Gui, a former minister whose virtues are by no means charismatic.

Today, the debate was limited to the morning followed by withdrawal into commissions. One of the main points reported on both these opening days is the number of empty seats. There were supposed to have been 600 delegates and 300 guests, but according to one estimate, average attendance was around 400 people.

The Christian Democrats need to convince their own followers that the future will not necessarily see the end of their three decades of rule. But the outlook is disturbing for them. They no longer have the presidency nor the prime ministership.

They have lost the big cities and have performed unsatisfactorily in recent elections. The have a severe leadership problem.

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International Year of Disabled People

THIS THE TIMES HEALTH SUPPLEMENT

This week:

- Who carries the North Sea oil can? Is the offshore health and safety record a national scandal?
- What really goes on in hospital mortuaries?
- Do men give cancer to women?
- What does Alf Morris, first minister for the disabled, want next?
- Can the Chinese be persuaded to have one-child families?
- Are we doing the right research on PMT?

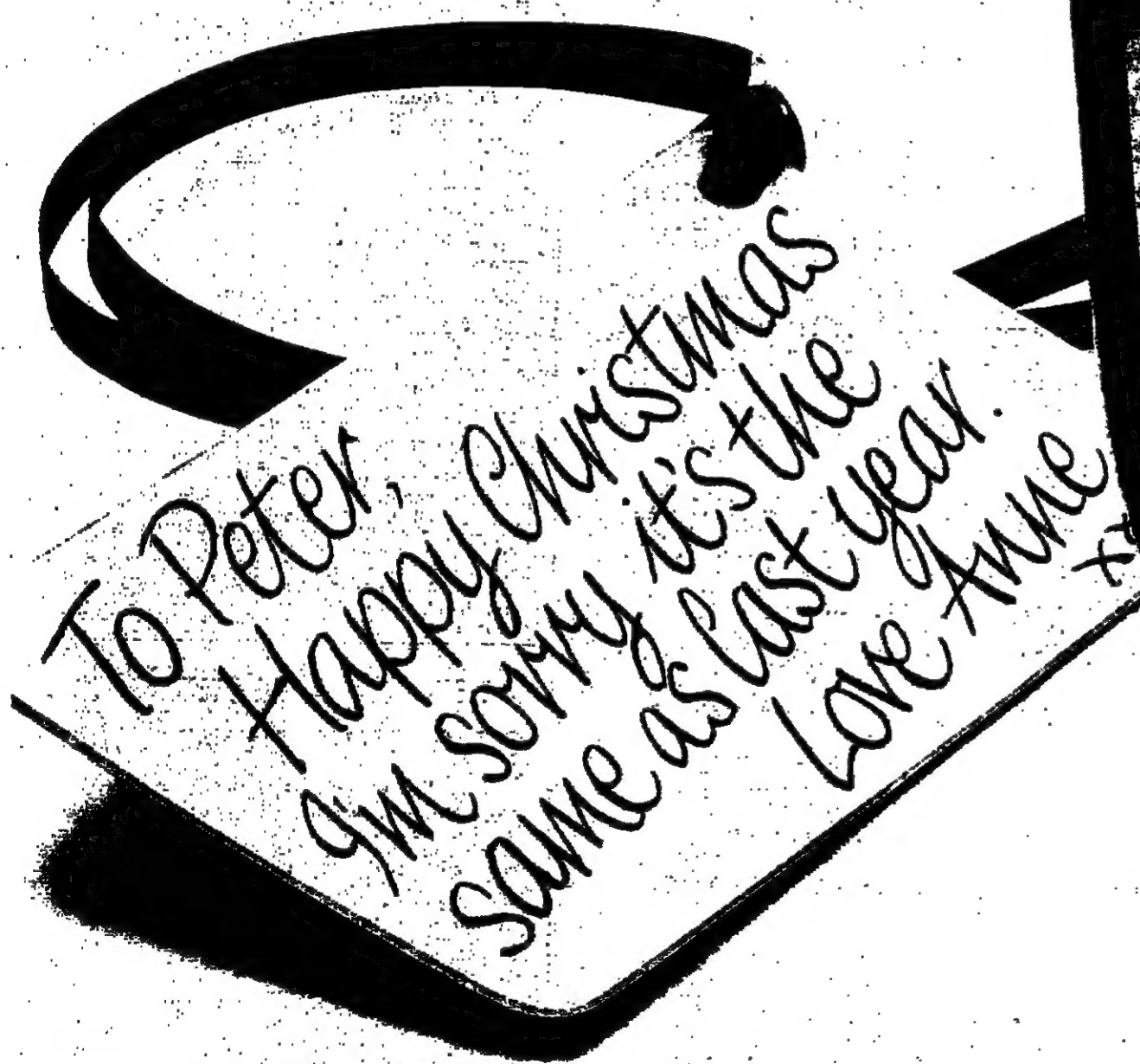
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in Sweden

can sue US
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China's flag
in Hong Kong

death



NOT that I'm ungrateful, but I've got lots of cuff links. To be quite honest I don't really go for novelty key rings. And how many ties can a man wear? Why can't they all be like Anne?

REMY MARTIN. FINE CHAMPAGNE COGNAC.

DISTILLED ONLY FROM GRAPES GROWN IN GRANDE AND PETITE CHAMPAGNE. COGNAC'S TWO FINEST CRUS.

Ex-soldier thought he worked for secret service CIA named in shooting case

From a Special Correspondent, Fort Collins, Colorado, Nov 26

A former American soldier, who is accused of attempting to murder an opponent of Colonel Gaddafi, the Libyan leader, has told a court hearing here that he thought he was working for the Central Intelligence Agency (CIA) when he called on his victim to deliver a message just over a year ago.

Mr Eugene Tafoya, a burly, bearded former Green Beret, aged 46, claimed that he shot Mr Faisal Zagallai, a 35-year-old Libyan student at the university here, in self-defence.

He said that he had been working as a spy and courier between Libya and various European capitals, including London, for Mr Edwin Wilson, a former CIA agent who is wanted in the United States on charges of supplying the Libyan government with explosives and munitions.

According to Mr Tafoya's testimony, he received a message in London in September, 1980, telling him to get in touch with Mr Zagallai to tell the Libyan exile to end propaganda efforts which were upsetting relations between Israel and Egypt.

When he called on Mr Zagallai at his apartment in Fort Collins, the latter lost his temper and tried to shoot him with a pistol hidden under a cushion. There was a struggle and the gun which Mr Tafoya was carrying went off, the defendant said.

Although the CIA has denied any connexion with Mr Tafoya, his evidence will inevitably renew speculation that the mysterious Mr Wilson, in exile in Libya, has maintained close ties with his former CIA colleagues in Washington.

Mr Kevin Mulcahy, a former associate of Mr Wilson, has said that he believes the CIA turned a blind eye to Mr Wilson's activities, in return for information about Colonel Gaddafi's regime.

The possible involvement of the CIA in the Tafoya case also came to light during the early stages of the Fort Collins trial when Mr Robert Miller, the United States district judge, ruled that much of the information gathered during the prosecution's inquiries into the case should not be made public.

Among the sealed documents is evidence that Mr Tafoya visited Mr Wilson's homes in Tripoli, Malta and Sussex.

Mr Wilson's English country home is Broxhead farm near Haywards Heath and an organization which he runs to recruit British and American airmen for work in Libya operates from an office in Knox Street, Marylebone, London.

□ Houston: A local oil broker accused of being involved in a gun-running conspiracy may have ties with Mr Wilson and Frank Terpil, a convicted gun-runner, a federal agent said in court today (AP reports).

Quebec tries to block reform

From John Best
Ottawa, Nov 26

A measure to reform and bring home the Canadian constitution moved towards final passage in the House of Commons today, as a new dispute was brewing over a move by Quebec to block the project.

Last night, Mr René Lévesque, the Quebec Premier, announced that his Cabinet had passed an Order in Council declaring the province's intention to veto the reform resolution before Parliament.

The Federal Government's first response was to laugh the move off. Mr Jean Chrétien, the Federal Minister of Justice, said: "He (Mr Lévesque) can pass a decree if he wants that there will be no snow over Quebec this winter. It will have the same effect."

Addressing the Quebec National Assembly in Quebec City, Mr Lévesque cited what he considered a precedent. In 1971, a plan to patriate the constitution was aborted when Quebec decided to withdraw its support.

But Mr Chrétien said that in 1971 the Federal Government had decided not to proceed without Quebec's support. "It's not the same situation now. Only England has a veto right at this time."

Mr Lévesque's announcement appears to dash hopes of a compromise on the three points still dividing him from the Federal Government.



Tender moment alone: Mr Lech Walesa, leader of Poland's Solidarity movement, and his wife, Stasiława, who are expecting their seventh child

Party to indicate how far it will yield to Solidarity

By Roger Boyes

The Central Committee of the Polish Communist Party holds an important plenary session today, with both the Government and Solidarity, the independent trade union, in a deadlock on how to share power over the country's economy.

The committee meeting is not expected to lead to a breakthrough in the talks, but it will give the government negotiators some idea of how far concessions can be made to Solidarity.

Mr Stefan Olszowski, generally viewed as a hardliner within the Politburo, made it clear yesterday that he would oppose any institutionalized right of veto on economic policy. Mr Lech Walesa, the Solidarity leader, has proposed the right of veto as a pre-condition for joining a coalition arrangement with the Government.

Mr Walesa, like the government negotiators, has little room for manoeuvre. Earlier this week, 15 members of the Gdańsk regional executive resigned their positions, claiming that Mr Walesa was making too many concessions to the Government and was not keeping the executive adequately informed.

The Solidarity movement favours a broad-based "social council" to oversee the economy. It initially pressed for a joint ability with the Government to initiate legislation and thus to ensure changes, for example, in worker participation in industry, would be guaranteed.

The union has now abandoned this demand and says it is prepared to settle for a consultative role, complete with a veto right. This, and other issues, such as access to the media, should be worked out before there can be any decision on joining the Government's proposed Front of National Understanding.

The government, however, wants to make the joining of a Front of National Understanding the first step before concrete proposals on economic reform are implemented. Solidarity is afraid that the Front will prove to be a hollow, and that the Government is trying to neuter the independent union in advance of serious negotiations on the holding of local elections.

It is difficult to see how this mutual suspicion can be overcome. Solidarity has a certain amount of ground that it can give, but if it yields their right of veto on government initiatives, there would be considerable discontent from rank and file.

For the ordinary Solidarity member, the veto right would mean that the union had gained another instrument for blocking government policy, and would not therefore have to resort to strikes with the same frequency.

DANES GIVE SPY TO GERMANY

Mr Jörg Meyer, an East German, serving a six-year jail sentence here, on spying charges was pardoned and released and turned over to the West German authorities (our Copenhagen Correspondent writes).

Mr Ole Espersen, the Danish Minister of Justice, said Mr Meyer would be exchanged by Bonn, along with other East Germans in a spy-swapping deal.

Deng stays his hand

Peking, Nov 26.—China tonight formally announced that it was putting off a scheduled revision of its constitution. This may reflect disagreement about who should become head of state.

Peking radio and television said a redrafting committee would ask the national people's congress, (parliament), next week for more time to conclude its work.

The post of state chairman, or head of state, was abolished under Mao Tse-tung who had made its last incumbent, the late Liu Shaoqi, the main target of his cultural revolution from 1966-76.

Diplomatic and Chinese sources say the new draft constitution could revive the post, for which the best qualified candidate would be Mr Deng Xiaoping, the Communist Party Vice-Chairman. Reuters.

Even the most farsighted social commentator may be excused a twinge of anxiety at the breakneck advance of the silicon microprocessor.

Its critics depict a future in which labour is spilled directly from the frying pan of the forty-hour week into the fire of redundancy and disaffection.

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Metro take work away from the people. (Rather, it should help the people to get to work on time.)

We've even shed a kindlier light upon that old bête noir of the technophobes, the computer. Far from undermining the authority of the individual, our new System Alpha Teleputer terminal will actually exalt his role by increasing his overall efficiency.

We would argue, too, that our involvement in radio communications, marine navigation, recorded music and domestic television is more likely to improve people's lives than to degrade them.

Of course, it would be irresponsible to dismiss entirely the problems implicit in an accelerating technology. But most of these may be avoided if governments and companies regularly apply the fundamental, utilitarian test.

For if a particular advance does not show up immediately as a credit on the account of human welfare, then who exactly is collecting the interest?



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Pressure on voters in Brazil

From Patrick Knight
Brasília, Nov 26

The Brazilian Government has cut short negotiations with the opposition parties over electoral reform and announced that voters must vote for candidates of the same party for all their choices in next year's elections.

Should voters select candidates from different parties for local government councillors and prefects, central government deputies and senators, and for the post of state governor, their vote would be annulled.

This measure, called "A Pearl Harbour attack" by Senator Ulysses Guimarães, the leader of the main opposition party, the PMDB, will greatly favour the powerful and well-organized government party, the Social Democratic Party (PDS) and greatly hinder the smaller opposition parties.

Parties will have to field candidates for all posts in each town, to be eligible, an almost impossible task for parties such as the Workers Party, the PT or the Brazilian Labour Party, (PTB).

Race riot quelled by army

Moscow, Nov 26.—The Soviet Army was called in to quell violent inter-communal riots late month in northern Caucasus, an official Soviet source said today.

Pitched battles were fought by the Ossetians and Chechens, two ethnic groups in Ordzhonikidze, a town of 300,000 people, between the Black and the Caspian seas. The incidents were not reported by the press here.

The fighting started after the murder of a Chechen taxi driver, who was decapitated. His friends, joined by a large crowd calling for revenge, carried his body to the local communist party headquarters.

The party headquarters was attacked, scores of people were wounded, and the Army was called in, an unofficial source said.

Violent clashes then took place between soldiers and civilians for several hours, and tanks took up positions in the streets of the town. There was no shooting and no one was killed, the source said, adding that several buildings in the centre of town were badly damaged.

French to resume work on atomic power plants

From Charles Hargrove, Paris, Nov 26

The Mitterrand Government has become a wholehearted convert to nuclear power, both civil and military, and this, despite its initial misgivings.

At the same time as the Elysée Palace this week confirmed the explosion of a nuclear device in the Pacific on November 11, the Cabinet decided to go ahead with the construction of three of the five nuclear power plants on which it had ordered work to be halted last July, pending consultation with local authorities.

The device was exploded at the Pacific experimental centre on Mururoa Atoll in French Polynesia. The ecologist organization Greenpeace, disclosing this on Tuesday, suggested that as its power only two kilotons "it was probably a neutron bomb". This was officially denied by the President's office.

The explosion was part of a current programme of tests. Details were not given but the tests are designed to improve the miniaturization and "hardening" of a whole range of existing French nuclear weapons, including the Hades tactical missile and the M4 strategic missile, with which French nuclear submarines will be equipped from 1985.

Alongside this programme, the atomic energy authority is involved in research and development of the neutron bomb, but no final decision has yet been taken by the government to go ahead with its manufacture.

The statement issued by Greenpeace in Paris was based on information from the National Radiation Laboratory in Wellington, but this did not draw any conclusions about the nature of the device exploded. It was the fifth nuclear test since the socialists came to power, and the eleventh since the beginning of the year, Greenpeace claimed. The coral base of the Atoll was, it claimed, deeply cracked by the tests.

Three nuclear power stations given the go-ahead this week are Cattenom 3, in Lorraine; Chooz B1, in the Ardennes; and Golfech 1, in the Pyrenees region.

In the case of the two others "Frozen" in July—Fellerin, near Nantes, and Civaux, in the Vienne, near Poitiers—there is still strong local controversy.

The only people who are not satisfied are the ecologists, who consider that the Socialists have betrayed their electoral promises; and industrialists, who deplore the effect on employment of the slowing down, however limited, of the nuclear power

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Purpose: To adjudge the concession contract to operate, exploit and maintain the urban railway of the City of Córdoba (Argentine Republic) and previous execution of the remodeling works and enlargement of the current infrastructure. Hereby is informed that the opening of the above mentioned contest, announced and published in this paper on September 8, 1981, has been prorogued until December 10, 1981 at 11 am.

Informes: Secretaría de Planeamiento y Coordinación, Planta Baja, Palacio "6 de Julio", 5000 Córdoba, Argentina Republic.

Wave of arrests as Pakistan hunts 'saboteurs'

From Hasan Akhtar, Islamabad, Nov 26

A country-wide hunt for saboteurs and political fugitives is under way in Pakistan. Many arrests have been made in the last few weeks, including those of university lecturers and leading members of the banned People's Party of the late dictator Ali Bhutto, the former Prime Minister.

A young man described as a leader of the Al Zulfikar organisation, which the Government has described as the military arm of the People's Party, was shot dead by police at his Karachi flat; the officer leading the raid was also killed.

Those arrested so far include three lecturers at the Islamabad Quaid-e-Azam University, while several others were reported as being interrogated. Newspapers said today that police in several cities and towns were on the trail of political leaders and workers who belonged to the People's Party or were considered left-wingers. Mr Syed Quam Ali Shah, who was a Sind minister in Mr Bhutto's government, was being sought by police while the wife of Mr Shaukat Mahmud of Punjab, was reported detained in Lahore.

Eleven people were arrested in Karachi, according to a press report, while the police were said to have raided several houses.

Three university lecturers arrested early this month in Islamabad are reported to be accused of being involved in an anti-government conspiracy to circulate clandestine news sheets and carrying out other unspecified activities against the regime.

A military court is expected to try them, but so far no

authoritative statement has been made on these and several other arrests.

A press photograph that purported to show the literature seized from the lecturers' homes depicted bundles of books and papers in which could be seen copies of *China's Cultural Revolution* and *Solzhenitsyn's Cancer Ward*. It has also been reported that the offices of the lecturers had been ransacked and more material required by the police removed by unidentified persons.

The provincial governments have from time to time announced bans on certain publications said to contain anti-State matter.

The man killed in the Karachi raid a week ago was Asad Lala, a student from Khairpur, in Sind, who was alleged to have led a gang that organised an abortive bomb attack on the Pope when he visited Karachi and the murder two months ago in Lahore of a former member of President Zia's Cabinet.

According to press reports, Russians and Afghans have been training youths in Kabul in urban warfare and many of these have arrived in Pakistan. The reports alleged that some armed groups were operating from the universities. In Islamabad there have been night raids on the university by police and other security agencies to seize arms.

Press reports generally suggest that the anti-government elements are left-wingers. Federal and provincial ministers have been making hard-hitting attacks on left-wingers in educational institutions and in the press.

Sikhs' home thoughts from abroad

From Kuldeep Nayar, Delhi, Nov 26

Mr Zail Singh, India's Home Minister, told Parliament today that the agitation for a Sikh homeland has been launched by a small section of disgruntled Sikhs living abroad.

The demand has caught the imagination of many Sikhs in Punjab and there have been incidents of violence against Hindus in the state. A few months ago, a senior Hindu editor was killed by a band of Sikhs.

However, Mr Singh said that there was nothing specific to indicate that the incidents of violence were connected with the agitation for the homeland. He admitted that an Indian aircraft was hijacked last month to Pakistan and the hijackers had said that they had done so to highlight the demand.

Mr Singh said it was a move to divide India. The Government would not tolerate further division of the country and it was determined to put down firmly all anti-national moves, he said.

Mr S C Jha, an opposition MP, said the central Intelligence Agency (CIA) had a hand in the movement and he asked for this question to be raised at the next Commonwealth meeting since the movement, he alleged, was being directed from Britain and Canada. The government said in reply that they had no specific information about any particular agency helping the movement.

Honduras set for elections

Leguicalpa, Nov 26

Honduras is preparing to return to democracy after 18 years of military rule. Elections next Sunday, called by a constituent assembly elected 18 months ago, will choose a civilian president, a Congress of 82 deputies and 283 mayors.

The country of 3.5 million people, the poorest in central America with a per capita annual income estimated in 1978 at \$490 (about £240) — shares frontiers with Nicaragua, El Salvador and Guatemala.

The nation's leaders last month called an emergency meeting of top army officers to warn them to "respect the results of the ballot box as long as voting has been free, honest and lawful".

Two main parties will fight in the election. The Liberal party's candidate is Dr Roberto Suazo Cordova, aged 54, who is the speaker of the constituent assembly. He sees only one solution for Honduras: A return to complete constitutional rule and the introduction of social and economic reforms.

The other party is the National Party (conservative), which has supported the military regime of General Policarpo Paz Garcia. Its candidate is Senator Ricardo Zuniga Aguirre, aged 63, a lawyer who sees the nation facing "life or death" problems. He says the answer lies not so much in reform as in facing up to "the Communist threat that hangs over all of Central America". — AFP.

A judicial Bastille stormed French MPs repeal anti-smashers law

From Charles Hargrove, Paris, Nov 26

One of the judicial Bastilles of the "old regime", as the left always refers to it, the law of 1970 directed against people damaging property, was stormed last night without much more resistance than the symbol of despotism in 1789.

The National Assembly abolished it by 334 votes to 134, the Gaullists and Giscardians opposing. But even the Opposition did not put up a very determined resistance and about 16 of their number abstained.

The suppression of the "anti-smashers" law was part of the proclaimed objective of the Socialists, if they came to power, of removing from the penal code what they termed "villainous" and exceptional provisions, and those courts of exception, like the Court for State Security, which in their view are a threat to civil liberties. Also high on the list of the Socialists' priorities for the same reason is the repeal of the "security and freedom" law, voted under the Barre Government, to toughen and accelerate criminal procedure. This will be part of a complete overhaul of the Penal Code next year, but already the provisions of the "security and freedom" law have become a dead letter.

The adoption by Parliament of the "anti-smashers" law 11 years ago was prompted by the concern aroused in the Government and in public opinion by the students' unrest of May and June, 1968. This continued intermittently through the two or three years that followed, with the agitation of extreme left-wing elements in Paris and in leading provincial towns, and extensive damage to property, especially shop windows and parked cars.

The law was applied regularly to demonstrations by student extremists and other protest groups which degenerated into assaults on property. Its abuses came under the sharpest criticism after the pitched battles with the police in the Opera District in Paris by groups of anarchists agitators after a miners' and steelworkers' protest march on Paris organised by the Communist-led CGT. Several students were arrested and summarily convicted of offences allegedly committed by plainclothes police provocateurs.

Bangladesh waits for IMF to open purse

By Leslie Pionner

In the cool dim offices of Bangladesh's Ministers of Finance, Planning and Development, where men sit at large desks drawing up ledgers of earnings and aspirations that never balance, the current visit of an International Monetary Fund team is being watched with an intensity that befits the most important event at present in the capital.

Bangladesh, one of the world's poorest nations, is waiting for the gods of international finance and rain to decide whether the country's condition over this sunny winter will be desperate, or very desperate.

The IMF team is considering whether to resume payments to Bangladesh of a three-year \$912m (£480m) loan it suspended last July because the country had exceeded agreed ceilings on Government spending, and failed to reduce various commodity subsidies, mainly on food.

At the same time, cracks in the delta's farming earth in the north have grown wide because the dry season set in

too early. There has been little rain for the past two months and an independent economist estimated in Dacca recently that before the lone rainfall that did come at the start of November, a 30 per cent crop loss was expected.

Now the loss will still be at least 10 per cent, experts predict, and talk has ceased even in the Government of a bumper harvest of more than 15 million tonnes of foodgrains. With no rain, and declining food aid and foreign exchange reserves, the country faces more of the lean times it knows so well. There is a serious danger of famine in some northern areas.

Export earnings dropped by 15 per cent last year, reflecting the plunge in world jute prices. Simultaneously, the price of imports increased by 19 per cent, with oil purchases consuming more than 80 per cent of Bangladesh's export earnings. This gap has left the country's foreign reserves at a record low of \$71m.

There is much bitterness in

Dacca at present over the policies of the international agencies and donor nations which have propped up Bangladesh since its bloody inception in 1971. Anger is greatest with the Reagan Administration which has been pressing the IMF, the World Bank and others to tighten their lending practices.

"Agencies like the IMF urge us to enter a certain room, but without the key", Dr Fashrudin Mahtab, the respected and non-partisan Planning Minister, said in Dacca. He was referring to the paradox that at least half of Bangladesh's budget deficit, to which the IMF objects, was incurred carrying out policies urged by the IMF, such as providing higher Government support prices to farmers.

Dr Mahtab criticized the Reagan Government's attempts to impose its domestic economic thinking — specifically on the supremacy of free enterprise and reduced government spending — on the IMF and World Bank. "Washington is, in effect,

imposing on Bangladesh policies it has not been able to carry out even at home".

Stepping into the breach in the strategic region is Japan, which has not only replaced the United States as Bangladesh's biggest donor but is also the only foreign country to achieve an economic hold in Burma next door.

Japan gets the small petroleum surplus now produced by Burma and is involved in attempts to exploit the huge natural gas reserves which Bangladesh has barely begun to tap. With foreign grants and credits financing 54 per cent of Bangladesh's budget, outside forces have a great hold over Dacca.

"Our needs are changing but donor policies are not", one minister complained. Commodity aid, needed to provide industry's raw materials, is drying up. "The only aid that is increasing is project aid because it is tied to sales of the donor's machinery and equipment to us", the Minister said.

TIDAL WAVE KILLS 47

Manila, Nov 26 — The death toll wrought by the typhoon Irma rose to 89 today with reports of a tidal wave that devastated a southern Luzon village on Tuesday, killing at least 47 people. The Philippine Red Cross said the tidal wave death toll could easily exceed 100 as 70 people were still missing in a village near Garchitorena.

China defends its exports of uranium

Peking, Nov 26 — The People's Daily said today that reports that China was selling enriched uranium to South Africa were spread by countries worried that Peking was breaking their monopoly of nuclear materials.

Following up a denial yesterday that China was making such shipments, the newspaper said the aim of the reports was to put pressure on China so that the nuclear monopoly enjoyed by others could be restored.

It did not name the countries concerned, nor did it mention the Washington Post, which in a front-page article on Thursday last week quoted United States officials as saying that they were convinced that China was the source of recent enriched

uranium shipments to South Africa.

Citing a statement by the Chinese United Nations mission in New York, the New China news agency said that it was "entirely normal for China to export a limited quantity of nuclear materials in the interest of international cooperation in the peaceful use of nuclear energy".

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The anatomy of a riot—by Lord Scarman

Lord Scarman relates how on Friday, April 10, some young blacks in Brixton had misunderstood the efforts of two constables to help a young black man who had been stabbed by other blacks and was running away. One of the second pair of constables who came upon him in a cab pressed down on the injured youth's chest to try to seal a suspected puncture of the lung. A crowd of 30 to 40 youths thought the black youth was being attacked. Disorder broke out. It was the fuse for the main riot on Saturday April 11.

Saturday April 11 began as an apparently normal, busy day in Brixton. The weather was fine and the streets and market were crowded. At 2 pm the 112 officers in "L" District engaged in Operation Swamp came on duty. 48 of them were in Brixton area. Squad 7, consisting of 12 officers, had been operating in plain clothes throughout the week in Raiton Road and Mayall Road and the surrounding area. At about 4.40 pm two of the officers from this squad — PC L. Cameron (aged 20) and PC L. Thornton (aged 24) — were walking back to Brixton Police Station from Dulwich Road via Kellert Road and Atlantic Road when they saw a blue Datsun car parked outside Number 82 Atlantic Road, the office of S & M Car Hire. As the two officers passed the car they looked in and saw the driver placing what appeared to be pieces of folded paper in his right sock. Having in mind the reputation of the area for drug dealing, they thought that the pieces of paper might contain drugs and decided to investigate. The officers approached the driver and questioned him about what he had in his socks. They explained that

'The officer looked up — bricks and stones were coming through the air towards him'

they thought he might be in possession of drugs and asked if they could search him. The driver laughed and told them that as a mini-cab driver it was his practice to put his money in his socks for safe-keeping. He agreed to be searched. PC Cameron searched him and found nothing incriminating. The pieces of paper proved, as the cab driver had said, to be bank notes. While PC Cameron was searching the cab driver a crowd of some 30, mainly black youths, had begun to assemble on the pavement outside the S & M Car Hire Office. The officers noticed this and that the crowd was hostile; they decided, however, to continue their investigation.

PC Cameron went with the cab driver to the rear of the car where he began to take down the driver's particulars. PC Thornton walked round the front of the car to check the Road Fund licence and then began to walk down the outside of the pavement in front of the S & M Car Hire. There dispute about what precisely happened. According to PC Thornton, as he attempted to rejoin his colleague, he found his way blocked by a young black man who was leaning against the side of the blue Datsun. The officer asked the young man to move but the latter simply abused him. The officer alleges that the young man then pushed him in the chest with both hands. According to the young man the officer threatened him and trod on his foot, causing him to react and push the officer.

Whatever the circumstances, it is clear that at that point the young black man was arrested by PC Thornton for obstructing a police officer in the execution of his duty. It is alleged by the officer that when he took hold of the young man the latter became extremely violent. A police van, for which the officers had made a radio request, arrived at 4.48 pm. As the police van drove away with PC Cameron and Thornton and the young man in it, the crowd around the van rocked it. A missile was thrown, smashing the window of the nearside rear door and flinging the van door open. The van stopped momentarily when PC Cameron saw a uniformed police officer stagger out of the crowd holding his stomach, and went to assist him.

Inspector Scottford, who was Duty Inspector at Brixton Police Station, received a radio call at 4.52 pm that a person had been stabbed near the S & M Car Hire Office (in fact the policeman had been wounded, not stabbed). He went immediately to the scene. On his arrival, he saw a large crowd, a number of police officers, some in uniform and others in plain clothes, and several police vans parked just north of the Triangle, the apex of Raiton and Mayall Roads. Traffic in Atlantic Road had come to a standstill. Inspector Scottford realised at once that the situation was serious. He asked over his radio for the two senior officers on duty at Brixton Police Station that Saturday. Chief Superintendent Boyling and Chief Inspector Benn — to come to the scene.

Lord Scarman's findings on the riots in Brixton on Friday and Saturday April 10 and 11 have been widely reported. But his well documented presentation of what really happened on the streets is a remarkable and inevitably dramatic piece of reconstruction. This abridged but detailed account is essential reading for anyone who wishes fully to understand the events of that Saturday, the nature of the disturbances and the police reaction to them. It is taken from Part III of Lord Scarman's report "The Brixton Disorders" HMSO, Command 8427, price £8.

When a few moments later, Chief Superintendent Boyling and Chief Inspector Benn arrived separately on the scene they were immediately surrounded by a large and hostile crowd. It was about 5.10 pm. The crowd was complaining about the earlier arrests, about police harassment and alleging that some police officers had been wearing National Front badges. A young black man, Mr. Tony Morgan, who was on the scene and had witnessed the incident, warned Chief Superintendent Boyling that if he did not get his officers out of the area, there would be a riot. Mr. Boyling did not take this advice literally. But he did take steps to try to defuse the situation.

Mr. Boyling was standing talking to Mr. Morgan about what should be done when he noticed that the crowd in Atlantic Road was covering the full width of the road. Suddenly there was a cry of "Look out". Looking up, the Chief Superintendent saw bricks and stones coming his way. The missiles hit the police dog van parked across the apex of the Triangle, smashing its windows.

The crowd turned up to the dog van and turned it on its side. A young black man said it might be a police car. A police car nearby was also set alight. Chief Superintendent Boyling saw that he was confronted by a serious breakdown of law and order. He took two decisions. He called for urgent assistance from all over the Metropolitan Police District. He also ordered the officers with him to draw their truncheons and to charge the crowd to the north in Atlantic Road, so as to disperse them towards the windscreen.

Having cleared Atlantic Road, Chief Superintendent Boyling then took steps to secure it against the possibility that the crowd might return. He also asked for his senior officer, the Acting Commander, Chief Superintendent Nicholson, to come to the scene. The time was 5.22 pm.

When Chief Superintendent Nicholson arrived in response to Chief Superintendent Boyling's call, he took charge at the scene. Looking south down Raiton Road, Chief Superintendent Nicholson and Chief Superintendent Boyling could see a crowd in Raiton Road at the junction with Leeson Road. Chief Superintendent Boyling tried to gather enough officers together to go south down Raiton Road and join with Inspector Scottford, who had gone down Mayall Road to Leeson Road, in dispersing the crowd.

As Inspector Scottford and his officers — about 20 in number — turned right into Leeson Road, they saw that the road was packed with people and were met by a hail of bricks, bottles and other missiles including broken lengths of metal railing. The officers took what shelter they could behind parked vehicles and in the angle of the Windsor Castle at the junction of Mayall and Leeson Roads. Some officers commandeered dustbins. They subsequently made a number of attempts to advance into Leeson Road but each time the barrage of missiles forced them back. Police casualties were heavy.

While they were held at the corner by the Windsor Castle, Inspector Scottford and his officers were joined first by Chief Inspector Benn and then by Chief Superintendent Boyling. A police tender with shields on board arrived in Mayall Road in response to calls from Chief Superintendent Boyling and Chief Inspector Scottford at about 6.18 pm. Having equipped their officers with shields, Chief Superintendent Boyling and Inspector Scottford made another attempt to clear Leeson Road. Many officers were injured, three as a result of petrol bombs.

Shortly after, some reinforcements arrived in the shape of a number of officers from the Special Patrol Group. With this assistance, the officers made a final but again unsuccessful attempt to advance into Leeson Road. More police officers were injured. Chief Superintendent Boyling ordered his men to withdraw northwards up Mayall Road. As they withdrew leaving behind a police van, the crowd pursued the officers, throwing everything that came to hand. They overturned the van and set it alight, along with two other cars in Leeson Road. It was now that members of the crowd set fire to the Windsor Castle Public House. The police withdrew up Mayall Road to its junction with Raiton Road at the Triangle. Here they formed a cordon facing south across the mouth of Mayall Road. Later the police formed a base which extended the length of Atlantic Road from Coldharbour Lane north up Raiton Road to Atlantic Road. The conductor having previously been assaulted and robbed of his takings, a member of the crowd drove it with other people from the crowd to the junction with Raiton Road towards the police line at the junction with Atlantic Road. Seeing the bus and the crowd coming towards the police line with the apparent intention of breaking it, one of the officers threw a brick at the windscreen of the bus. The windscreen smashed, the man driving the bus jumped out and it veered to the right of the police line, eventually coming to rest against a wall at the top of Raiton Road near the junction with Kellert Road. The bus incident illustrated the aggressive spirit of the crowd and the defensive posture imposed upon the police by the lack of adequate reinforcements.

It was into this scene that the Commander of "L" District, Commander Fairbairn, had arrived at about 6.15 pm. He immediately asked for more shields to be supplied and for a helicopter to be sent to assist him by overflying the scene. The helicopter could not be made available because of lack of crew, but shortly afterwards a tender arrived with the shields.



Cold statistic (Lord Scarman's words): injured officer is helped by colleagues

them their terms for dispersing. They wanted the police to withdraw, they wanted an end to police harassment and they wanted those arrested to be released.

After returning to the police lines, the mediators relayed these messages to Commander Fairbairn. The Commander, however, did not believe that those who had said they would disperse if the police withdrew could, even if they wished, enforce their view on others in the crowd. He maintained his refusal to withdraw.

The attack by the crowd on the police cordon in Raiton Road continued until 8.45 pm when the police were at last sufficiently reinforced to be able to move forward. Petrol bombs and other missiles were continually hurled at the line of police shields. At one point a car was pushed to within a few feet of the police line. Shortly after the police saw a black man pour liquid from a can across Raiton Road and beckon them to come forward. In spite of the constant attacks, the police under Commander Fairbairn continued to hold their line while gradually reinforcing it.

During this critical phase the officers in the line, supported by their Commander's leadership and encouraged by the comradeship of their colleagues displayed exemplary courage. Some, it is clear, picked up stones or other missiles which had been thrown at them, and flung them back. It may not have been lawful but it was understandable, and excusable, when it was self-defence.

While the centre of the disorder was Leeson Road and the northern end of Raiton Road, its effects were being felt over a wide area of central Brixton. In the commercial area of Brixton, the northern half of Atlantic Road, Electric Avenue and Coldharbour Lane, widespread looting had developed since about 6 pm. Both whites and blacks — some of them very young — were involved. To several witnesses, the whites appeared to be generally older, and more systematic in their methods. It also appears that the looters were, in the main, quite different from the people who were attacking the police.

The other major area in which the police were enforcedly absent lay, of course, south of the police lines at the Triangle, in Mayall and Raiton Roads and the streets to the west of there. This was territory effectively held by the rioters.

In one of the most disturbing aspects of the disorders, ambulances and fire engines responding to calls for help in this area were attacked and so ambulances and several fire engines injured. Altogether on Saturday evening one ambulance and 14 fire engines were reported injured and four ambulances and nine fire engines were damaged. Four fire appliances were temporarily abandoned by their crews in the face of the hostility of the crowd, a turnable later was set alight, and a considerable quantity of Fire Brigade equipment was stolen or damaged. The crowd in Raiton Road, which consisted mainly of black people but with some white people joining, had begun to move south down Raiton Road, entering commercial and other premises, including a number of private houses, stealing their contents and in some cases setting fire to the buildings.

The main concentration of fires in Raiton Road lay near the junction with Effra Parade. The fire brigade had been unable to deal with them because of the hostility of the crowd. With the courage and decisiveness which were to prove characteristic of his conduct that evening, Chief Superintendent Robinson decided to advance along Effra Parade with four of his detachments equipped with shields, so as to clear the way for fire appliances to tackle the fires. As he was making his arrangements, the fire appliances were instructed by their control to leave the scene due to the hostility of the crowd, but they agreed to await the outcome of the police action.

Chief Superintendent Robinson then led about 60 to 70 officers behind a single line of shields along Effra

Parade towards the junction with Raiton Road. As the officers neared the junction they could see a large crowd numbering perhaps 300 to 400 in Raiton Road, which soon began to direct a heavy barrage of missiles at them. The police cordon stopped briefly just short of the junction while Mr. Robinson surveyed the many fires in Raiton Road — which were well advanced — and agreed a course of action to clear the junction with his senior officers.

The police were immediately attacked ferociously by the crowd, and one of two cordons stopped facing north across Raiton Road under a hail of bricks, bottles, tiles, pieces of wood, milk crates, scaffold poles and petrol bombs. Another cordon was similarly subjected to a fierce barrage of missiles including petrol bombs and a new weapon, spinning plates. In spite of this the other cordon managed to advance slowly as far as the northern edge of the junction of Raiton Road and Chaucer Road, where they were halted by the sustained bombardment from the crowd.

Superintendent Robinson radioed for ambulances and for police assistance. He also summoned the fire appliances to begin to tackle the fires around the junction of Effra Parade and Raiton Road. He then went south to the cordon at Chaucer Road. Once there he decided that his officers would have to extend their control over the whole of the

junction with Chaucer Road in order to avoid being attacked, as they now were, from the sides. Under the sustained assaults of the crowd — at one point a car was pushed as a battering ram into the police line — the officers succeeded in establishing a new cordon in Raiton Road at the south side of the junction with Chaucer Road, as well as cordons across the flanks of Chaucer Road itself, thus securing the whole of the junction.

At this point, Chief Superintendent Robinson was himself hit and partially stunned by a missile thrown from the crowd. The fire officers fought with great determination the fires around them, in spite of the danger from collapsing buildings and the missiles of the crowd, and under the difficulty that their hoses were being cut by the glass and other sharp objects which were strewn around the ground. Many police officers were injured, some seriously. As the number of police officers injured rose steadily, Chief Superintendent Robinson's calls for assistance became increasingly insistent.

Although he did not know it, the police were at last beginning to marshal sufficient officers to disperse the crowds of whose anger the Chief Superintendent and his men were the target. At about 8.30 pm Commander Adams (at the time of the disturbances in charge of the Traffic Division of the Metro-

politan Police, but Commander Fairbairn's predecessor as Commander of "L" District) had arrived at Brixton Police Station and had been directed by Mr. Walker to take the reserves available at that time (numbering about 150 officers, of whom about 100 were members of the Special Patrol Group) to the southern end of Raiton Road, and move north, while Commander Fairbairn moved south with the object of dispersing the crowd westwards into the side streets off Raiton Road, so relieving Mr. Robinson.

Commander Fairbairn was himself injured at about 8.30 pm but about 15 minutes later he gave the order for officers in the cordon at the northern end of Raiton Road to begin their advance south, at the same time sending other officers under Chief Superintendent Boyling south down Mayall Road to cover his flank. Under a continuing hail of missiles and petrol bombs the officers in Raiton Road then began to pick their way slowly south round both burning buildings and their vehicles, clearing the remnants of the crowd behind the demolition site on the west side of Raiton Road. Once beyond the vehicles, the officers reformed in a line and moved towards Dexter and Leeson Roads, the crowd dispersing in front of them as they did so.

At about 9 pm one of Mr. Robinson's cordons was temporarily overwhelmed by the crowd stacking it. Many

officers were injured, some of them seriously and some police shields were captured by the crowd. Considering the situation, it seemed to Mr. Robinson that extraordinary measures were necessary if he was to save the position and prevent his officers or firemen being further injured or even killed. He took a hose from a fireman, ordered other officers to do likewise and turned the jets on the crowd. The action achieved the effect Mr. Robinson desired. The crowd fell back and the firemen were able to continue to fight the fires.

Reinforcements arrived via Effra Parade at about 9.30 pm in the shape of three detachments of officers (some with shields) under Chief Superintendent Skinner. These officers took over the one cordon and began to move northwards. It was about this time that they began to see Commander Fairbairn's men approaching with shields from the north. The crowd between the lines of officers dispersed. The police in Raiton Road were left to consolidate their cordons so as to continue to protect the Fire Brigade fighting the fires in Raiton Road.

By about 10.00-10.15 pm, the main disorders in the Raiton Road/Mayall Road area were over, and the police were able to re-establish an effective presence throughout Brixton. By 11 pm this was completed.

Both the police and the community were now able to take stock of what had happened. In cold statistical terms, 82 people had been arrested, 279 police officers injured, 45 members of the public injured (there were probably more), 61 private vehicles and 56 police vehicles damaged or destroyed, and 145 promises damaged, 28 of them by fire. As important, however, was the effect of what had happened on the attitudes and feelings of those involved. The police had undergone an experience, all too unparalleled on the mainland of the United Kingdom. Within the community there were some who felt elated because, as they saw it, the community had taken a stand against the police; and there were some who saw disorder as an opportunity for publicised protest; but many more were saddened and uncertain at the implications of the events.

It was clear to all that the scars had been deep, and particularly in the relationship between the police and public, for a long time to come.

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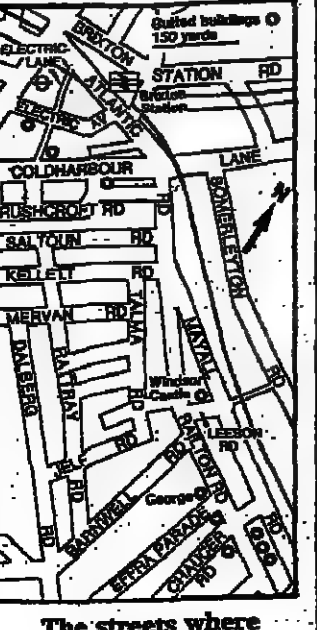
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The streets where trouble flared

David Watt

Europe calling and the super powers listen

If this were a perfect world, the EEC heads of government, now meeting in London, would be hammering out and possibly even putting the finishing touches to an agreement on the EEC budget and the common agricultural policy. As my Chatham House colleague Joan Pearce pointed out on this page earlier this week, this may be their best chance. In fact, they will almost certainly fence around the central issue once more and concentrate on the political questions they have most on their minds — the implications of President Reagan's nuclear weapons speech coupled with Mr. Brezhnev's visit to Bonn and the row over the terms on which the Europeans should take part in the Sinai peace-keeping force.

Since, on the face of it, there is not much they can do about any of these things at this stage, this may seem a pretty daft way to spend their time. But in a way it is not. Britain's six-months presidency of the EEC Council of Ministers (of which the present convocation is the climax) has borne the imprint of Lord Carrington's diplomacy and it has been primarily an argument that the attempt to keep the EEC afloat by concentrating on a rudimentary joint foreign policy rather than a solid economic compromise is ultimately misguided and irrelevant; but in the most important sense, it has been a political stocktaking and a political stocktaking is therefore of some importance.

Nor, so far as East-West relations are concerned, is the balance encouraging. In the first place it is in the balance to over-emphasize the importance of President Reagan's initiative. This lies not in the "Zero option" or indeed in any of the technical arms control aspects of the speech. The vital thing is that the new American administration is at last talking in an adult fashion about the real world. Nine months has been wasted

in subservience to the rhetoric of the last presidential campaign.

There was, it was said, no possibility of point in trying to negotiate with the Soviet Union until American military parity (even, in some versions, superiority) had been restored. Soviet behaviour in the world would be the touchstone of American policy and the Russians could not expect to be admitted to civilized discourse until they had mended their ways and ceased to meddle in the developing countries. "Linkage" was all.

All this fantasy has now fallen away and we are left with a reasonably business-like approach. The Soviet Union is to be dealt with, after all, and while these dealings will obviously be affected by Soviet actions worldwide, it is reasonable why progress on arms control should not precede and contribute to the improvement of general relations.

The reasons for this transformation are complex. The acute difficulty the Reagan administration is now fighting in accommodating its ambitious defence budget to the demands of other parts of the US economy is one of them. Sheer familiarity with the issue, combined with that quiet reflection in hospital which Mr. Reagan said had caused him to write to Mr. Brezhnev last May, were others. But the most important factor has undoubtedly been steady allied pressure.

This has been exerted in the first instance through Nato machinery. But the most powerful application of it has been through the direct channels that run between London, Bonn and Paris on the one hand and Washington on the other. The political cooperation machinery of the EEC as such may not have contributed a great deal, but to some extent the leaders now gathered in London are genuinely beginning to see themselves as the political European core within the alliance, and



Lord Carrington (with the French Foreign Minister Claude Cheysson): diplomacy with a political imprint

in that sense they will legitimately regard the Reagan move as an achievement of "European" foreign policy.

On the Russian side it is much more difficult to claim any victories so far, but you cannot really examine recent developments without coming to the obvious conclusion that the western European countries, and particularly the EEC countries, are being cast, whether they like it or not, in a crucial role on the sidelines of the Geneva arms control talks. The Russians clearly have regarded the Europeans all along as the means of bringing the United States administration to the negotiating table in an amenable frame of mind — and for that reason they have played and will continue to play on the themes of the European peace movement for all they are worth.

Nevertheless, having spent much of the past week in Moscow in discussing these questions, I have come to the conclusion, that for the Russians, Western Europe seems a much more important, ambiguous and even dangerous quantity in the present international situation than one might suppose.

One can never be sure that anything one hears in Moscow represents more than propaganda and tactics — a fact which for practical purposes I regard as one of the most criminal as well as the most stupidly boring consequences of the Soviet system. But there is a good deal of logical Russian self-interest in the party line that one currently receives:

● The Europeans are admittedly split on attitudes to the East and disarmament. The peace movement (while

naturally representing the interests and aspirations of the working-class, etc etc) is not necessarily going to sweep the board.

● It is not in Moscow's interests beyond a certain point that the board should be swept. According to Soviet analysts, the peace movement in the United States itself will pick up next year to keep pace with the Europeans, but until this development materializes a big rift between Europe and the United States would be a bad thing for the Soviet Union since it would be impossible to get détente under conditions in which the United States and the other Nato powers were isolated — at odds with one another.

● The worst result of all for Moscow would be a Gaullist type of Europe possessing its own defence force and a large array of its own nuclear weapons. That would oblige the Soviet Union to arm itself doubly to meet the separate and possibly combined threats of the American and European forces.

There is some sense of realism about this appreciation and one's conviction that it represents more or less the truth is reinforced by the Soviet response to the Reagan speech. The line taken by Soviet officials in the immediate aftermath was extremely hostile. The initiative was roundly denounced as a propaganda gimmick designed for no other purpose than to upstage the Brezhnev visit to Bonn. Within two days, however, the line had changed. European reaction had been observed) the same individuals were talking in a very different vein. Naturally

there was a good deal of propaganda in the speech, but then you would expect the American opening to be absurdly unrealistic. The main thing was that the dialogue had been started.

This spiel does not mean that the Russians are anything less than highly sceptical of Washington's real intentions. They evidently fear that the "military-industrial complex" and sinister forces connected with the Committee for the Present Danger will successfully prevent progress even if the President's new look really is more than a sop to the Europeans.

What it does mean, however, is that both super powers are now acutely sensitive to opinion in Western Europe, particularly West Germany, and (even more significantly) such awareness that the other is sensitive. This is a classic set-up for the man in the middle. Chancellor Schmidt has instantly realized this fact and is now talking in grandiose terms of his role as an honest broker.

But he is not the only possible intermediary. Britain, France, Italy and the Low Countries are all involved, and since they happen to be gathered at Lancaster House this week in a forum which is desperately keen to find a collective voice, their discussion on this issue can hardly be a waste of time.

The author is Director of the Royal Institute of International Affairs, Chatham House. He writes here in a personal capacity.

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Ronald Butt

A little bending could turn out for the best

'The conquest of inflation will not be a real victory if economic recovery dies in the battle'

interest rates, to pay for the overspending which ministers cannot politically avoid (and which should have been tackled much earlier in the Government's life). It is surely right that he should think again.

Even so (and even allowing for the argument that high interest charges and the cost of unemployment benefit themselves add unacceptably to the PSBR) it would be hard to see how the Government could escape from this dilemma were it not for the fact that the measure by which the "unacceptable" level of its borrowing is assessed is both illogical and unscientific. It is by a re-examination of the PSBR and of investment in the public sector that Mrs Thatcher could find the best means of navigating the present Z-bend.

It is no new thing for Conservative MPs to criticise the Government's policy. It is a distinction between capital and current public spending, arguing for more borrowing to assist investment in useful capital projects. Such investment, borrowing, they argue, should not be taken as swelling the PSBR unacceptably. The Chancellor's reply, in essence, has been that the distinction is false, and that borrowed money is borrowed money, whether it is used for capital or current projects. It is inflationary if printed by the Government at will whatever it is used for. There is, he would say, no true comparison with borrowed private money, which is lent by banks only on a genuinely commercial risk basis.

There are two flaws in this argument. First, it means that once productive industry has entered the public sector it becomes prey to any government's special political constraints, as well as being too often freed from proper financial discipline in a way that would not have happened had it remained in the private sector. That is a very good reason against putting productive industry in the public sector, but we have to deal realistically with the situation that exists.

The Government should therefore continue and accelerate the process it has already started of encouraging private money into public industry, provided it is in proper commercial conditions, and that the Government is not expected to subsidise its cost.

The second flaw in the argument is that public borrowing is essentially the same as in the fact that the PSBR is compiled on a ridiculous and incompetent basis which undermines confidence in its figures as an economic indicator. Nobody has made this point more effectively than Mr. Tim Renton, Conservative MP for Mid-Sussex, who has emphasized not merely the failure of the PSBR to make a capital/current distinction but has also demonstrated the extent to which what is and what is not included in the PSBR is quite arbitrary.

For something, what is and what is not included in the PSBR can depend on the very narrow point

whether a government has 51 per cent or only 49 per cent of the equity of a partly nationalized industry. If the government had retained 51 per cent of the shares nationalized recently — denationalized recently — British Aerospace, all the financial requirements would have been controlled within the PSBR. As the government retained only 48 per cent, all its capital spending is excluded. Yet whether it is within or without the PSBR, Mr. Renton pointed out, British Aerospace's demand for long-term finance is primarily funded from the same resources.

By another supreme inconsistency, although the government owns 99 per cent of British Leyland, its bank borrowings are not considered part of the PSBR. Yet British Telecom's borrowing is PSBR, though borrowings by its competitor, Cable and Wireless, were (when it was government-owned) apparently not.

Only last week, in the debate on the Nuclear Industry (Finance) Bill, Mr. Edward Rowlands, Labour MP for Merthyr Tydfil, brought out the "incredible, strange and curious" fact that the borrowing requirements of British Nuclear Fuels Ltd, which amount to £1,000m rising to £1,500m, do not fall on the PSBR. Yet it involves the possibility of Treasury guarantees.

Such questions are in the minds of many with a range of Tory MPs from those on the "dryish" side to such arch-critics of the Government's policy as Mr. Peter Tapsell, MP for Hornchurch, who last week fired off another of his massive onslaughts against the view that higher government spending would mean higher interest rates and more inflation.

Where Mr. Tapsell shares common ground with Conservative critics of the Government's policy is in his advocacy of such ideas as a private consortium to electricity parts of British Rail, with the consortium continuing to be owned by the Government, or leasing it to BR so that it remains outside the PSBR.

The Government should now think what more it can do for productive public investment instead of penalizing it. The current spending which ministers are politically frightened of releasing, it could base this exercise on dividing the PSBR into three categories: current spending covering the government's own services (such as NHS); transfer payments (pensions and benefits); and capital spending — bearing in mind that, like a prudent householder, it can still be tight on everyday spending while holding mortgages for useful capital equipment on a proper commercial basis.

This is quite different from the demand for a little more reflation in government spending all round. It is a question rather of seeing whether the arithmetic with which the policy is being applied is right for the changed circumstances. To keep up interest rates and to put up taxation against productive private industry, and to deny investment (on a proper commercial basis) to public industry, are all simply because current non-productive spending is too high — is to prefer the means of policy to the end.

The conquest of inflation will not be a real victory if economic recovery dies in the battle. This has been a government of unequalled courage in the postwar period, willing to pay a high price in popularity for what it has achieved. Now it must be a government of ingenuity and inventiveness as well.

A writing Jonah sheds tears for the dear departed

"It's a dead Vol," agreed Richard North, editor of the magazine at his demise. Richard North, founder, first editor and company secretary, has just arranged not exactly its winding-sheet but its winding up. As an observer of its birth and short life, I am one of the mourners. Worse, I feel guilty. Had the curse of Jonathan Sale struck again?

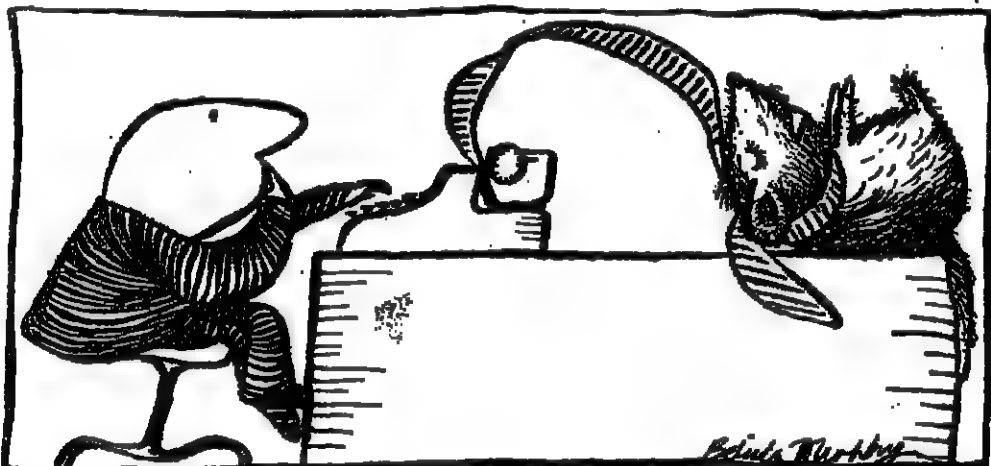
Up in my loft there are ever-increasing piles of publications with two things in common: they contain articles with my by-line above them, and they do not come out any more. Is this just a coincidence? Or can there be some bizarre link?

On the face of it, the death of Vol cannot be the fault of a piece of mine in its last issue. The magazine was (against) and bicycles (for). A periodical which savages the consumer society is not likely to grow rich with advertisements for sports cars and brandy. And however good its blend of analysis and the Country Code of pollution and pollution, it wasn't getting through to the readers. The time cannot be right for environmental magazines.

But the *Evening News*, draughts and diplomacy. It seemed to be covering its overheads until its contents were also a goner, swallowed by its London rival, *The Standard*. Then there is the case of the small glossy publication entitled A.M. Its first issue included a book review by me. It soon ran into its p.m. and finally was benighted after only a handful of issues.

You probably never saw it and, to take the story further, I have never seen it. I missed *Games & Puzzles*, a monthly guide to dominoes, draughts and chess. It was a goner, swallowed by its London rival, *The Standard*. Then there is the case of the small glossy publication entitled A.M. Its first issue included a book review by me. It soon ran into its p.m. and finally was benighted after only a handful of issues.

The trial starts in Little Rock on December 7 and Dr. Wickramasinghe was invited to give evidence by the Arkansas District Attorney. He insists he won't be speaking for the Sri Lankans — he himself is from Sri Lanka and what you might call a lapsed Buddhist. But he does think that Darwin's explanation for the descent of man by natural selection and the survival of the



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THE TIMES DIARY



John Arlott, wine connoisseur, bricks archive and the world's most magical voice-over, has a new house on the small Channel Island of Alderney. A few days after the end of the war, he was selected for the best XI, plus 10 reserves, as part of

From there on Monday he will announce the first three names in what he considers the best cricketing side in the world. The names will be Dennis Lillee, Ian Botham and Laurie Constantine.

Arlott has been selecting his best XI, plus 10 reserves, as part of a project in aid of muscular-dystrophy research. The three names unveiled at the champagne reception next week will be the first in a series of "Arlott immortals" who will be depicted as 12m-high porcelain figures in action created by Andre Lortz — a Polish-born ceramic artist. The set of figures, limited to 150 copies of each figure, will include 11 English, six Australian and four West Indian players. They will be marketed next March after the English team returns from India.

Margaret Fergusson says her father-in-law, Lord Ballantyne, "knew exactly what was meant when he was told in the Solomon Islands, 'tummy belong me gone runabout'. One hopes it eventually came to heel". George Martell Picher (a suitable name, if ever there was one) writes: "I once met an Aberdeen on an engineering site in Shetland. It was horribly early in the morning and he was in danger of bleeding to death from the eyeballs. 'Ah've got err mouth lukkair soaked in wullie-wullie', he roared in his native fur-lined tongue. It loses something in the translation which, I understand, is: 'I have a mouth like a zoo-keeper's wellie, William'."

I am also told that, strictly speaking, a hangover first meant to continue to feel drunk on the morning after, rather than to have a headache, which explains

why Eddie Condon, the jazz musician, called his condition "hollover". Ernest Anderson of London, says Condon had a friend called Clancy who was "the originator of all hangover cures. The recipe began: 'Take the juice of two quarts of whisky...'"

Spare the children Twenty years ago today, Distillers withdrew thalidomide from the market. The children deformed by the drug are now growing up and, happily, many are leading full, interesting, normal lives, helped by the relatively good compensation that Distillers were eventually persuaded to pay.

The legal consequences of the thalidomide tragedy are still with us. We have just had a new Contempt of Court Act which, had it been in force, would have allowed *The Times* to have published virtually all they knew about thalidomide, and might have cut the children's financial anguish by many years. We still do not have a system of compensating deformed children according to their need, without having to prove negligence on anyone's part. The story of the newspaper's epic struggle to get justice for the children has now been put on video by the University of Warwick's Audio-Visual Centre and its School of Law. The half-hour video, which can be bought or hired, presents *The Sunday Times* case in the context of the protection of human rights in Europe, via the European Convention.

Police challenge Two persistent criticisms of police in recent years have been that they needlessly harass youths, especially blacks, and that they "verbal" suspects — in effect, fabricate evidence by putting words in a suspect's mouth. Lord Scarman's report into the causes of the Brixton riots has lent credence to the first charge and bluntly accused Lambeth police of harassment; yesterday a new study of criminal trials offered equally blunt evidence for "verbalising". It would be a pity if this report is neglected because Scarman's White Paper has hogged the limelight.

The new evidence — that policemen sometimes manufacture statements to secure convictions in cases where they are convinced of a suspect's guilt



but unable to prove it — is published in Oxford University Press's *Courts, Prosecution and Conviction* by Dr. Michael McCool and Dr. John Baldwin of Birmingham University's Law Faculty. Their book includes two remarkable tape-recorded admissions by detectives that they invented "parts" of defendants' statements (not always successfully).

Of one case a Birmingham police officer testified that it was difficult for me to put this as: "Reverend E. L. King, this is appropriate 'showing as it will the divine power triumphing over the forces of evil, turmoil and darkness'."

imagination — verbals and that. "Well, the officers weren't convincing and their verbals good enough — they didn't have good imaginations. You see, when you know a bloke has done it, and I know [the defendant] was guilty, you sometimes have to resort to verbals."

"It happens all the time and usually it comes off, but here the verbals weren't good enough. When you have been in the force as long as I have, over 20 years, I know, or at least I think I know, when the bloke is guilty..."

The academics, after a study of the trials of almost 5,000 defendants in Birmingham and London, conclude that "safeguards available to suspects in police custody are virtually non-existent." Scarman's call for lay visitors to police stations might help here.

For Mountbatten... Lady Pamela Hicks, Lord Mountbatten's daughter, is very moved by the plan to have a stained-glass window as a memorial to her father in St George's Anglican Cathedral in Cape Town. I have good news for her: the noted French stained glass artist, Gabriel Loire, has just arrived in South Africa to discuss details of the window, which will, I hear, have the theme of "Christ stilling the storm on the sea of Galilee". According to the dean, this is very difficult for me to put this as: "Reverend E. L. King, this is appropriate 'showing as it will the divine power triumphing over the forces of evil, turmoil and darkness'."

Peter Watson



P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

MRS THATCHER'S NEW POUND

Mrs. Thatcher, the hostess at the European summit in London today and tomorrow, has an opportunity to combine a graceful gesture with an act of economic realism. It is a fusion ideally suited to her, not least since it also requires her resolution to over-ride the pallid cast of Treasury second, third and fourth thoughts. She should announce that Britain has decided to join the European Monetary System. The Chancellor Sir Geoffrey Howe has talked long enough about giving this "serious consideration". This is the moment to do it, and at a realistic exchange rate for the pound.

Mrs Thatcher can then put Mrs. Shirley Williams and Mr. Roy Jenkins in the shade by launching a new initiative to make the system the basis for world currency stability rather than the regional zone which it currently is. And that is fundamental for any hope for a return to world prosperity.

The EMS is far from perfect; but it is the best system of currency stability we have got. Of the options currently open to the Government, it offers the best chance of providing a long-term basis for economic recovery and stability. It also provides important political advantages. The economic arguments have changed significantly in favour of full membership of the system since it was set up. We have all learned the difficulties of controlling the money supply in one country and the damage which attempts to do so can cause. We have seen the chaos in the world monetary system and sterling soaring to unacceptable heights and then drive the Government to raise interest rates in the middle of a recession.

The need for currency stability is twofold. The economy as a whole is damaged when parity gyrates wildly without relation to inflation or output, as it has done. One minute the exchange rate is an engine of

inflation, the next an anchor of depression. Even worse, the process destroys the balance of the economy, the effect in Britain has been precisely the opposite of what almost everyone except the far left agrees is required. The public sector has been further engorged and the private trading sector diminished. The unjustified rise in real wages brought about by an over-valued currency should have led to a fall in money wages. But public sector workers, in safe jobs and with disproportionately increased wages and salaries, have merely been enabled to buy more imported goods and foreign holidays. While that has gone on, those who work in industry have seen their jobs, and their industries, wiped out. A sixth of manufacturing industry has been destroyed in the past two years, in considerable measure because of the failure to have a policy for the exchange rate.

After too long during which it tried to ignore the exchange rate, the Government now says that it takes it into account in its decisions about interest rates and taxation. It is the typical laudatory compromise of the trimmer. The present intention seems to be to look at the pound's effective rate which is a measure of its value against all currencies. That approach too, is wrong and in three ways.

First, the target is too vague. The Government does not say what exchange rate it wants the pound to have and Ministers make it clear that other goals, like the money supply, still have priority. Officials love leaving things vague; it allows them to decide as they go along which of the various conflicting objectives the Government sets itself they actually pursue. Industry should not be left in the dark in this way. The exchange rate target ought to be made explicit and ought to be the primary one of Government policy, the one that it really means to meet.

The second defect is that the target is the wrong one in any case. What matters most of all is the position of our industry. Half our trade is with countries which are either full members of the EMS or tie their currencies to it. It is the relationship between the pound and the currencies of these countries which matters above all. That is where we should be focusing our attention.

The third fault in arguing for an informal target on the effective rate is that we have less chance of getting stability on our own than in partnership with the European countries.

The dithering and increasingly inelegant equivocation is not, as everyone knows, the work of Mrs Thatcher herself. It is not her style. She must tell the Treasury she is tired — she ought to be exhausted — of their energy in inventing new excuses as the old ones are successively falsified. She should order a negotiation: the best solution would be to use the specially wide bands allowing six per cent fluctuation as a "turning in" period. We could move to the narrower bands at a later date.

Membership of the EMS is a cornerstone but not the whole foundation for economic revival. The whole trading world requires currency stability; competitive deflation and interest-rate wars are blank cheques for speculation, drawn on human misery. Britain can play a leading role in reform but we cannot go on a crusade to persuade the Americans and the Japanese that they should be good neighbours if we are unable to demonstrate that we are living happily, and thriving, within our own family of the European Community.

Mrs Thatcher often feels that five years is too short a time for the kind of long-term economic regeneration she desires. But eternity will not suffice for anyone who is led to believe that a modern nation can prosper on its own.

THE ARAB SUMMIT DEBACLE

It is no good trying to pretend that the collapse of the Arab summit in Fez is anything other than a disappointment. The "Fahd plan", it is true, was (a) not in fact a plan and (b) rejected by a sceptical Israel. Its adoption, therefore, would not have resulted in an immediate outbreak of peace in the Middle East. It would, however, have been an important statement by the Arabs, including the Palestinians, of willingness to make peace. Acceptance of the Fahd formula by the Palestine Liberation Organisation could have opened the way to a dialogue between the PLO and the United States, and this in time might have enabled the United States to mediate an Israeli-Palestinian peace settlement — the only settlement that would go to the root of the conflict.

Most experienced Middle East hands were sceptical about the Saudis' chances of getting Prince Fahd's eight points approved by the summit, unless in a form so amended as to deprive them of their significance. What was surprising was that the Saudis themselves were so confident. Their confidence was, it seems, based on several factors. First, neither Syria nor Iraq was in a strong position to contradict them. The Syrian regime (which had itself accepted Resolution 242 as part of the terms of the 1973 ceasefire) gave the thumbs down at a meeting of the Palestinian Central Council in Damascus Mr Arafat was overwhelmingly outvoted.

What has just happened is essentially a re-run of that script. The key point of the Fahd plan reproduces the key point of Resolution 242 only more succinctly: "all states in the region should be able to live in peace". Again, Mr Arafat was in favour, but the Syrians were against, and again Mr Arafat was outvoted.

encouragement they received from Mr Yasser Arafat, the PLO chairman, who evidently led them to believe that he could deliver the support of his organization. If the PLO had supported the plan it would have been difficult for any Arab leader (except Colonel Gaddafi, who likes to be more royalist than the king) to oppose it publicly. But Mr Arafat, as the Saudis should have known, does not really control the PLO. It is a thoroughly faction-ridden organization, within which several Arab regimes have their supporters, but the crucial leverage is held by Syria. One aspect of the Lebanese war of 1976 was the PLO's attempt to break free of this Syrian tutelage. The Syrians won, and by gaining physical control of most of Lebanon also strengthened their grip on the PLO.

In 1977 President Carter offered to open a dialogue with the PLO if it would accept Security Council Resolution 242, thereby acknowledging "the sovereignty, territorial integrity and political independence of every state in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force". Mr Arafat wanted to accept the offer but the Syrian regime (which had itself accepted Resolution 242 as part of the terms of the 1973 ceasefire) gave the thumbs down at a meeting of the Palestinian Central Council in Damascus Mr Arafat was overwhelmingly outvoted.

What has just happened is essentially a re-run of that script. The key point of the Fahd plan reproduces the key point of Resolution 242 only more succinctly: "all states in the region should be able to live in peace". Again, Mr Arafat was in favour, but the Syrians were against, and again Mr Arafat was outvoted.

only this time it seems the vote was taken in the PLO executive.

The result is a considerable snub for the Saudis, and it can be assumed that they are angry. It would not be surprising if the Syrians find that Saudi payments for the "Arab Deterrent Force" in Lebanon are quietly held up. But it would be more than surprising — it would be entirely out of character — for the Saudis to allow a durable and public quarrel to develop between them and a sizeable group of Arab states including the PLO. They value their reputation as champions of the Arab cause too much for that. They could decide quietly to shelve their peace plan. More likely they will make further efforts to get it adopted, but using subtler and more patient diplomacy.

The result is also a snub for the European Community, and for Lord Carrington in particular. But it is worst news of all for the Palestinian people who ever since the birth of Israel have paid dearly for the extremism and intrigue of the Arab radicals who destroyed the Lebanon, nearly destroyed Jordan and will not rest, they say, until they have destroyed Israel. The Arab radicals can frustrate the Saudis, and the Jordanians, and would here like to frustrate the Egyptians but they cannot deliver anything except what they have delivered in the past: bloodshed and fury. One day perhaps the lesson will sink home. In the meantime the Camp David peace process has the field to itself. Lord Carrington's activities were predicated on the assumption that Camp David would not lead to a Palestinian settlement because Israel would never offer enough real autonomy to attract Palestinian participation. Israel now has a chance to prove him wrong again.

mean parents would pay more, would affect all groups except the relatively wealthy. It is in the middle-income group, hardest hit by the parental contribution, that the most floating voters are to be found — those people whose support an MP in a marginal seat has to gain if he is to be re-elected. Those Conservative MPs in marginal seats (and which of them are not, now?) ought to be asking Sir Keith Joseph some very searching questions about what he is proposing to do to their floating voters.

Yours faithfully,
ERNEST RUDD,
University of Essex,
Department of Sociology,
Wivenhoe Park,
Colchester.
November 18.

Student grants

From Dr Ernest Rudd
Sir, I do not know what changes in students' grants Sir Keith Joseph intends to make; but I am reasonably sure, from my research on students' finances, that the effects predicted by Dr Blackburn (November 17) — fewer students from higher-income families and more from lower-income ones — are very unlikely. At present two groups of students are virtually unaffected by the amount parents are expected to contribute to their support — those with relatively wealthy parents and those whose parents are sufficiently poor (or successful in adding their income tax) for the amount to be given a full grant. Those students who fare worst are those mid-way

between these points — the children of the better-paid manual workers and the worse-paid clerical and professional workers. A change in the scales by which the parental contribution is calculated, or simply a failure to adjust them for inflation, would bear heavily on this middle group, and widen it a little at each end. One that reduced the numbers eligible for a full grant would reduce the numbers of students from the poorer families; but one that reduced or eliminated the minimum amount payable to all students, as it would affect only the well-to-do, would have virtually no effect on the numbers trying to gain university and college places. A reduction in the standard value of the grant, which also would

Judges' objection to sentencing proposal

From Lord Justice Leeson
Sir, I was surprised to learn from Lord Longford's speech in the House of Lords on November 24 last that I have been a party with my brethren to thwarting the Home Secretary's proposals for dealing with the grave problem of overcrowding in prisons. I have done nothing of the kind, nor, as far as I know, have any my brethren.

In October last the Lord Chief Justice called a meeting of the Lord Justices who preside in the Court of Appeal (Criminal Division), and I am the senior one doing so, for the purpose of discussing with the Home Secretary the proposals for dealing with overcrowding in the prisons. One was that all fixed sentences should be divided into three equal parts. The offenders would serve the first part, be released under supervision for the second part, and get remission, as now, for the third part.

None of us liked this proposal for the following reason. Most of the overcrowding occurs in local prisons and is caused there by persistent offenders, mostly thieves and housebreakers who, because they keep offending, usually get sentences of between 18 months and two years. The Home Secretary's proposal would have meant that such offenders would be let out of prison after between six and eight months.

Our experience of the administration of criminal justice, which has been going back over 46 years, led us to think that these recidivists would be likely to

start offending again in the same sort of way within days or weeks of being released. This would not have found favour with the public. Custodial sentences may not do much good for those who receive them; but it is often forgotten that whilst persistent offenders are in prison they are not preying on the public.

We all appreciated that in these circumstances there would be a risk of some part of their misdeeds passing longer sentences in order to protect the public. I was, however, able to remind those present that when release on parole was introduced in 1967 the then Lord Chief Justice, Lord Parker, had asked the Queen's Bench judges not to take the possibility of the grant of parole into account when fixing the length of sentences. They have not done so.

If Parliament did decide to adopt the Home Secretary's proposal for early release, the judges would, of course, accept the new law whatever opinions they might have about its wisdom.

In conclusion I would like to record that many of the senior judges spend some part of their time addressing meetings of branches of the Magistrates' Association and urging those present to consider passing shorter sentences. Since January 1 last I have addressed seven such meetings.

Yours sincerely,
FREDERICK LAWTON,
Royal Courts of Justice, WC2.
November 25.

EEC budget

From Mr Robert Jackson, MEP for Upper Thames (Conservative)
Sir, The negotiations about the restructuring of the Community budget, which reach a crucial stage at the European Council meeting in London of November 26-27, are a classic instance of what game theory calls "zero-sum bargaining". The issues are so intractable, and so dangerous, because there is a sense in which British, and German, interests are at odds: the expenditure of our partners, who are either in net surplus from the budget or benefit from the CAP (common agricultural policy).

Games theory offers at least three ways of attempting to resolve a "zero-sum" conflict. The first is to insist in the context of this negotiation. 1. Broadening the issues so that all parties can claim some success. This is, I believe, an essential aspect of the Genscher-Colombo plan for European Union. It is a plan which is thinking of those who argue that now is the time for Britain to join the European Monetary System; it also underlies the question whether and when the Community's means of financing new policies should be increased. On the other hand there is the risk of two paradoxical reasons. On one hand there is the question of the credibility of the threat to pursue disruption to a point which might put our membership in question. None of our partners believes that Britain will really stake nearly half of our export trade and the central element in our foreign policy against an act of budget contribution amounting to less than 1 per cent of public expenditure.

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Peril in Amazon basin

From Mr Derek Lovejoy
Sir, Today (November 27), the Foreign Minister of Brazil arrives for consultation with the Foreign Secretary, Lord Carrington. No doubt trade will take a prominent part in their discussions.

There is at present great concern at worldwide environmental deterioration and particularly the catastrophic environmental destruction which is taking place in Brazil. Some of the last great reserves of the Earth's forests are being destroyed at such a rate that they will be exhausted within 50 years. The very fragile soil of the Amazon basin will become a desert with the consequent effect on the world's climate.

The Brazilian Government has announced that measures are being taken, but these are so minor as to be relatively ineffective. Could Lord Carrington impress upon the Brazilian Government the international community's interest in ensuring that any increase in British trade which has environmental impact does not escalate the situation?

Paisley and Ulster

From Dr Kenneth Lane
Sir, I find the letter from Professor Yorick Wilks (November 24) difficult to understand.

The universal condemnation of the Reverend Ian Paisley is due to the fact that he proclaims his loyalty to the Crown and Government of the United Kingdom and at the same time flouts its laws and order in Ulster. His unwarranted attacks on the Government are louder and more ferocious than his condemnation of the IRA. Even the dead of English, Scottish and Welsh regiments fail to silence him. He remembers the animal who bites the hand that restrains it from suicide.

Most British people sympathize profoundly with the loyalists, recognizing their long and heavily accepted sufferings at the hands of the terrorists, and understand their mistrust of certain Catholic families who harbour and encourage the IRA. If Mr Paisley used his powerful voice to encourage his followers to assist the security forces by careful intelligence work he would be as popular in Britain as he now is unpopular.

reach terms on alternative transitional support for socially marginal farming. Are we serious about limiting the Community's obligation to intervene to buy up surplus? If so, we must surely swallow the pill of relief for small producers. Do we really want to avoid any increase in CAP import controls? If so, we may have to accept a more organized Community food export policy.

3. "Raising the ante". This is what the Labour Government did when it posed the threat of British withdrawal from the Community in 1974-75. They got little by this ploy. Mrs Thatcher, however, had better success last year with the implied threat of an interruption in the transfer of resources to the Community.

This time I believe we must eschew tactics of this kind, for two paradoxical reasons. On one hand there is the question of the credibility of the threat to pursue disruption to a point which might put our membership in question. None of our partners believes that Britain will really stake nearly half of our export trade and the central element in our foreign policy against an act of budget contribution amounting to less than 1 per cent of public expenditure.

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Yours sincerely,
ROBERT JACKSON,
4 Churton Place, SW1.
November 24.

(Perhaps this could be applied to all of Her Majesty's Government's policy where industrial operations will cause severe environmental impact.)

Further, there have been reports that the British Government is reducing its international commitment and presence in Antarctica and that Brazil is becoming increasingly interested in this continent because of the enormous mineral resources, with the result that Brazil may partially fill the vacuum left by the British.

It is what is happening in Brazil is allowed to happen in Antarctica, this will see the destruction of one of the Earth's last great natural landscapes. HMG must ensure that before it reduces its responsibilities or commitments, there must be adequate environmental safeguards.

Yours faithfully,
DEREK LOVEJOY,
First Vice-President,
International Federation of Landscape Architects,
Forester, Dene,
West Sussex.

I found the sneer in Professor Wilks's last paragraph offensive. Am I alone in finding no historical justification for the famous French phrase? Yours faithfully,
KENNETH LANE,
Woodland Cottage,
Gadbury Lane,
Ewhurst, Surrey.
November 24.

Rolling start

From Mr J. D. Goodwin
Sir, The report from New York (November 21) on the recent Rolling Stones concerts betrays your correspondent's failing memory of the group's famous Oxford performance. If he is right in his suggestion that this was "the day the counter-culture was actually born" it should be recorded that the occasion was the Magdalen College Commemoration Ball on June 22, 1964, although anyone present that evening might be forgiven for having failed to recognize it as a turning point in contemporary social history.

Yours faithfully,
JOHN GOODWIN,
10 Egerton Terrace, SW3.
November 23.

Significance of Vickers sentence

From Mr N. L. Hillier
Sir, I am surprised that Mr Sieghart (November 24) should be confused as to the judge's reasons for making his recommendation in respect of Mr Vickers's sentence.

It is a sound and well-established principle of sentencing policy in English courts that where an offence is facilitated by the offender's holding a position of trust the offence is regarded as particularly grave.

One must be entitled to expect that a bank clerk will not filch from one's account, a policeman not tender false evidence or a solicitor embezzle his client's funds precisely because to do so is made easier by the trust which must of necessity be placed in these persons.

Mr Vickers's offence was doubly odious in that he abused both his position as a doctor and that of his victim's faith in him in order to further his own miserable ambitions.

Yours faithfully,
N. L. HILLIER,
Richard Arnold and Son,
79 Akti Miasouli,
Piraeus, Greece.

From the Reverend G. R. Curry
Sir, Mr Sieghart puts his finger on a crucial issue in his letter published today (November 24). Yet the direction he appears to want to go in is at the least unsettling and as the worst horrifying. He seems to be advocating the humanitarian theory of punishment which sees punishment as having only a three-fold aim: the reformation of the criminal; the protection of the public and as a deterrent to potential lawbreakers.

Unfortunately this view has a serious flaw, so serious that in effect it leads to a devaluing of humanity, as the late C. S. Lewis so cogently argues in his paper, *The Abolition of Man*. It fails to see punishment as punishment. Whilst the three things mentioned above are important they can only have real value when we add this fourth, and more important, dimension.

If we wish to live in a just and humane society then this concept of retribution must not be excluded. This is not to advocate vindictiveness, as Mr Sieghart implies, but rather true "old-fashioned" justice. And, if justice is to be done, then every criminal should (at the time of sentencing at least) understand that he is getting that which he deserves.

You see, Sir, the real question we should be asking is: "What is the appropriate punishment for murder?" Is it life imprisonment or something else?

Yours sincerely,
GEORGE R. CURRY,
The Vicarage,
Farnham, Surrey.
November 24.

From Mr Nicky Bird
Sir, Paul Sieghart's claim (November 24) that the surgeon who murdered his wife should be treated leniently as he has no more wives to murder, reminds me of the youth who chopped up his victim's faith in him in order to further his own miserable ambitions.

Yours faithfully,
NICKY BIRD,
3 Randolph Mews, W9.

From Mr R. A. Howard
Sir, Why does Mr Paul Sieghart think that the punishment should not fit the crime? Not many practising surgeons murder their wives and so Dr Vickers should be treated leniently. Not many practising solicitors murder the Lord Chancellor and the Master of the Rolls — indeed, not any — and so presumably if I were to do so Mr Sieghart would recommend that my punishment should be even less than that he would award Dr Vickers.

The stability of any society which refuses to recognise that retribution is an essential ingredient in punishment is undermined.

Yours faithfully,
ROBIN A. HOWARD,
The Athenaeum,
Pall Mall SW1.

From Mr Michael De-la-Noy
Sir, Mr Paul Sieghart might have added to his excellent letter questioning the wisdom of condemning us to see Mr Paul Vickers in prison for 17 years the fact that it will cost us in excess of £100,000.

Yours faithfully,
MICHAEL DE-LA-NOY,
54 Goudar Gardens, NW6.

Alliance fares policy

From Mr Michael Steed
Sir, Your report "Liberals and SDP split over GLC fares" (The Times, November 18) contrasted the considered views of the Liberal Party with a statement by one ex-Labour Social Democrat, Mr Jim Daly. I do not know whether, when their party has had time to consider its transport policy, Social Democrats will come to share the Liberal Party's emphasis on the need to maintain cheap public transport in large cities. But on the other issue at stake, the threat that Lord Denning's judgement makes to elected local government, surely the SDP has already declared itself for the Liberal position?

When they launched the party, the Social Democratic leaders included as one of their 12 tasks "Decentralisation: Decisions should more often be made at local level. In their conference on "Local Government and Finance" Mr Tyrrell Burgess stated that the SDP's object should be "to strengthen the independence and responsibility of local government".

Standard economic theory predicts that an increased supply of a particular type of labour would only be absorbed into employment if its relative price were to fall. The relative price of youth labour has not been allowed to fall because of union and wages-council pressure.

Perhaps this pressure explains in part why youth unemployment is so high. Certainly the argument requires further research rather than mere dismissal.

Yours faithfully,
DAVID FORREST,
Department of Economics,
University of Manchester,
Manchester.

Festival Hall box

From Mr Michael Kaye
Sir, Like Mr Hunter (November 24) we, too, would like to see the ceremonial box in the Royal Festival Hall used as often as possible, and on those occasions when it is not required by royalty or by members of the Greater London Council for official visitors, promoters of concerts can apply for its use by sponsors and other relevant people. The box must, however, be used appropriately and it must be held available to the council until a reasonable time before each concert for its prime purpose.

There is, of course, no way in which members of the council or others can be compelled to hear the artists Mr Hunter represents, but the council is examining proposals for widening the availability of the ceremonial box so that it will be in use more often in future.

I am, Sir, yours faithfully,
MICHAEL KAYE,
General Administrator,
South Bank Concert Halls, SE1.

fashioned" justice. And, if justice is to be done, then every criminal should (at the time of sentencing at least) understand that he is getting that which he deserves.

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Yours faithfully,
MICHAEL DE-LA-NOY,
54 Goudar Gardens, NW6.

If these principles mean what they say, Social Democrats, along with Liberals, should be standing by the right of the Greater London Council to determine a policy for London transport fares, accountable to the electorate.

Yours faithfully,
MICHAEL STEED,
Wood Cottage,
Ewood Lane,
Tadornorden,
Lancashire.
November 21.

Representation

From Mrs Lavender Westwood
Sir, As a small trader in London I find myself in the situation of having to pay excessive taxation without representation (shop money?).

I suggest that for the hearing of Mr Livingston's rate appeal it would be in keeping to revive the Star Chamber.

Yours faithfully,
LAVENDER WESTWOOD,
Boadicea,
42 Beauchamp Place, SW3.
November 23.

SDP and education

From Professor Lord Bellif, FBA
Sir, I do not know whether Mr Michael McCrum (feature November 18) has read Mrs Shirley Williams's article in *The University of London Review* (November 21) referring to a fastidious scholar he may find her turgid prose too much to take. However, I have read it and I can assure him and you that it is in no way corresponds to the analysis proffered by Dr Rae.

Mrs Williams reveals herself in this article, as in everything she says and writes, hostile to independent education at any level. The only shift in her position has been made to take into account the obstacles placed by the European Convention of Human Rights in the way of the outright prohibition of independent education that is Labour Party policy. Instead of ex-education, we are to have the death of a thousand cuts.

The issue is one of principle not of procedure. Either you believe, as does Mr McCrum and as a headmaster of Westminster School ought to, that independent education confers great benefits not only on the children for whom it caters but on the whole educational system, independent and maintained, or you believe as do Mrs Williams and other socialists that it is somehow a regrettable and "socially divisive" anomaly. It is possible honestly to take either view; it is not acceptable to try to straddle between them.

Yours truly,
BELOFF,
House of Lords.
November 21.

Game for anything?

From Mr A. P. Fawcett
Sir, Board games currently played within my own household embrace the following subjects: murder, spying, betting on racehorses, art forgery, and property speculation. All are in thoroughly bad taste. Should they be withdrawn from general sale?

Yours faithfully,
AUSTIN FAWCETT,
71 Tom Lane,
Sheffield.
November 24.

THE ARTS

Television

Parental conviction

The Harrisons are the kind of family who give education authorities a special kind of headache. They are neither feckless nor failing but different and determined to remain so. Two of their four children went to school for short periods; two have never been. All four are dyslexic and their parents believe that by educating them at home, enabling them to cope with the world by acquiring basic skills and coming to academic ones only when they are ready, they can do a better job than a school, even when it has a special unit to cope with dyslexia.

It is a mighty undertaking, which would surely leave most of us feeling ill-equipped, and such parental resolution conflicts with authority which has to consider the welfare of the children; whether, if it does nothing, the children might one day consider they have been let down by their parents and authority, all the people who could be expected to know better.

This was the dilemma Forty Minutes considered on BBC 2 last night. The Harrisons, 18, 19, 17, 16, and 15, were talked to and seen round the family's Worcestershire smallholding which is their classroom. Here they manifested impressive practical skills which, their parents believe,

Dennis Hackett

Concerts

Rare and welcome

BBCSO/Boulez

Festival Hall/Radio 3

London sees and hears little of Pierre Boulez since he left his post as chief conductor of the BBC Symphony Orchestra in 1975. On Wednesday, a well-heard audience welcomed him back to the South Bank.

His oeuvre grows slowly, and on Wednesday he presented no new work. His music germinates, is re-fashioned, left suspended until all its possibilities are exhausted, many of them realizable only through performance. His *Libre pour Cordes*, for instance, which we heard juxtaposed revealingly with a finely-musical performance of Weber's *Five Moments for Orchestra*, is like the Webern, an extensive orchestral reworking, rebirth even, of an earlier work for quartet. Only one of its six movements has yet been transformed, its shifting, kaleidoscopic melodic strands reflected as Boulez puts it, through the instrumental groupings "as if in multiple mirrors", its energy coiling, springing and pulsing.

In *Ph. selon pt.*, though, Boulez presents us with a microcosm of creation and re-creation itself. As its movements open out, fold upon fold, the words from five poems of Mallarmé become absorbed and eventually displaced, through its

three "Improvisations". The poem, summoned into birth vocally, at the beginning, where you get what you pay for, even if it is a human life.

Hilary Finch

Dubious novelties

LMP/Blech

Queen Elizabeth Hall

New works by Mozart and Haydn were billed for Wednesday's concert by the London Mozart Players under Harry Blech. The Mozart to be exact was not quite new to London, though certainly new to present Londoners since his last performance was probably its premiere in February, 1765. This was the long-lost Symphony in F that turned up in Munich last year and could immediately be identified because Mozart's father had once noted down its opening bars. Radio 3 let us hear it during the summer.

It stands well enough alongside other compositions perhaps showing touch of paternal help — of the nine-year-old boy. There is a brisk, busy first movement, not unlike J. C. Bach, shapely if rather sectional; a charming Andante distinguished by its neatly-managed accompanying parts; and a slightly ordinary though amply spirited finale. Nannerl Mozart related how, as her brother wrote these

Stanley Sadie

the Spring Season of the BBC Symphony Orchestra at the Royal Festival Hall will include two concerts conducted by John Pritchard, the orchestra's Chief Conductor-elect. Guest appearances will be made by Michael Glazer, Charles Groves, Gennadi Rozdestvensky, Karlheinz Stockhausen and Rudolf Barshai. Gunter Wand and Brian Wright will conduct the orchestra's spring concerts at the Royal Albert Hall.

Two major choral works, Mendelssohn's *Elijah* and Elgar's *The Apostles*, will be performed. There will be three concerts of twentieth-century music, two of these forming part of the BBC/LOCE "Music of Eight Decades" series. Stockhausen's *Moti* — a work which incorporates mimes — will be given on March 3 and directed by the composer, who will also give a pre-concert talk.

Tragedy of a Ridiculous Man (AA)

Gate, Notting Hill

Monique Dearest (AA)

Plaza

A Slap in the Face

National Film Theatre

Bernardo Bertolucci's newest film, *Tragedy of a Ridiculous Man*, marks a break with his previous work in several ways. It is, he says, "prose not poetry". The impression of a conscious, more prosaic style, without the old baroque and bravura, is emphasized by the harder style of the cinematographer Carlo di Palma, replacing Bertolucci's usual collaborator Vittorio Storaro, who was not available for the film.

The ostensible subject, a kidnapping, is up-to-the-minute: Ugo Tognazzi plays Primo, a cheese manufacturer of Parma or thereabouts, "the sort of small entrepreneur who keeps Italy's economy moving in the midst of anarchy". But anarchy overtakes Primo: one day he witnesses the kidnapping of his own son. Despite his growing suspicion that the kidnapping may be some sort of trick, Primo sets systematically about disposing of his goods and assets, to bargain with the kidnappers. His bourgeois wife (Anniko Aimee) accepts more easily than Primo, the self-made businessman, that they live in a world where you get what you pay for, even if it is a human life.

The most fundamental change from the director's earlier works comes from one significant fact: that Bernardo Bertolucci, the youthful prodigy of twenty years ago, is forty now. Practically all of his films have been about fathers and sons; but this is the first time the director sees with the father's eyes. He even wrote the scenario, he reveals, in the first person. The young, he acknowledges, have now become a mystery to him. His younger actors have "the dark, introspective secret looks I like". They talk less than my generation did, says Primo; and from their silence you cannot figure out if they are asking for help or getting ready to shoot you. Our children represent the dreadful ambiguity of our life today.

The problem of the film is that Bertolucci is overtly fascinated by enigmas for its own sake, and leaves the audience rather groping after his intentions. He explains cheerfully: "The film reflects an ambiguity I feel is typical of Italian



Keeping Italy's economy moving: Ugo Tognazzi in "Tragedy of a Ridiculous Man"

society today — and elsewhere too. There are no certainties left. No one knows any more what the truth is — about the Kennedy assassinations or the British spy scandals or the murder of Aldo Moro — which is true enough, but leaves Bertolucci's audience in disconcerting suspension.

In the matter of Joan Crawford's adopted children I speak with the shrewd authority of one who once had the job of minding them. It was when their mother was filming *The Story of Esther Costello*, and my charges did not include Christina Crawford, on whose reminiscences the film *Mommie Dearest* is based, since she was being punished at the time for some slight fault by incarceration in a convent school. I was responsible for the alleged twins, Cathy and Cindy, then around eight.

Miss Crawford, even in 1957, was still an extraordinary and fascinating creature. She was slighter, more girlish and squalid in coloring than you might imagine from the photographs; and she had still, when on show, something of the vibrancy of Wild Diana Merrick, the character she embodied in *Our Dancing Daughters* in 1928, and who exulted "It feels so good — just to be alive." That was when Scott Fitzgerald described her "dancing deliciously, laughing a great deal, with wide, hurt eyes." She carried her feelings like grazes on the skin: the slightest thing could inflame them. A telephone call from a fan (an unwelcome personality of course)

would produce a flood of grateful tears. If the children were momentarily out of her sight, she would be certain they had been kidnapped or had fallen off the balcony of the Oliver Messel Suite, and would react on a scale appropriate to such catastrophe. This, of course, added somewhat to the hazards of minding the twins; but it went off all right.

As to the children, had I known that physical attack was part of Miss Crawford's programme I might have volunteered a thump or two. Once out of her hearing, they were the most awful little minxes; though it was hard not to admire their fiendish impersonations of Joan Crawford's "my little darlings" performance. My credence in *Mommie Dearest* is enhanced by seeing the infant Christina doing precisely the same unkind but deadly accurate imitations.

Frank Perry's film of *Mommie Dearest* is a horror story a shade less fearful than the original book. The sort of compassion and understanding that Crawford, as mother, requires is inevitably harder for the children who experienced her parenthood to feel. At bottom, no doubt, her need to have children was genuine. So, certainly, was the belief in the ultimate benefits of the very old-fashioned, physical and moral discipline from which she had never spared herself.

The problems for everyone concerned arose when this iron discipline came into conflict or coincidence with the caprices, the neuroses, the hysteria and the

anxieties of the actress. Crawford battled to the top and maintained her place for more than forty years. The appalling strain upon her personality was shared with those around her. Time made the strains only more intolerable: the fear of age and failure was finally to tumble her into drink and reclusion.

Christina Crawford's story does not mince matters: life as the child of this sacred Hollywood monster was most of the time hell. The film spares none of the agonies of the relationship, from the adoption of Baby Christina in 1940 to the star's end, all painted up in a Californian funeral parlour in 1977. "I did it," says the mortician proudly, "from my own signed photograph of her".

The point of the film is the astounding make-up job that practically convinces you that Faye Dunaway is Joan Crawford. It is a puzzle though to decide whether to blame the director, the actress or the shade of Crawford herself when the star's hysterical outbursts are pitched at grand guignol excess so ludicrous that they provoke wild mirth rather than shock. In America the devotees chant out the favourite lines in chorus with the film: "Tina bring me the axe" (to chop down the garden in a tantrum; in real life it was merely a saw); or "Wire coat-hangers! I buy you 300-dollar dresses and you hang them on wire coat-hangers!" The coat-hangers are used for a thrashing only slightly less scary

than Crawford's sturdy attempt to strangle her daughter.

The lookalike game is well played. Harry Goz is much as I remember Alfred Steele, Crawford's docile and adoring Pepsi-Cola king. As the infant Christina, Mara Hobel is believable and touching; but she grew up to be Diana Scarwid, with an inexplicable southern accent and a bizarre likeness to Mercedes McCambridge. Crawford's on-and-off screen adversary in *Johnny Guitar*, Howard De Silva, is a one-time blacklist victim, must have found a wry satisfaction in playing Louis B. Mayer of MGM, Hollywood's most servile tool of McCarthyism.

For all the gruesome fascination of the careful recreations, *Mommie Dearest* is a dismal experience. Crawford devoted over forty years to giving people dreams: it is a mean trick now to drag up her nightmares, whatever one's sympathies with a child's resentments. The last, and best word on the film comes from *Variety*, the unsentimental trade paper of American show business: "Nobody ever lived a life that deserved this".

We owe to Patrick Gibbs, film critic of *The Daily Telegraph*, the discovery, in the wasteland of the Soviet cinema, of a jewel of a picture, made in the Armenian Republic, Henrik Malian's *A Slap in the Face*. It was shown last week in the London Film Festival; but there are further chances to see it (on December 1 and 8) in a season of Armenian films at the National Film Theatre. The existence of a lively Armenian cinema should surprise no one: after all the country produced both Rouben Mamoulian and Elia Kazan.

It is irresistible to invoke the memory of Pagnol's Marseilles stories in connexion with this comedy of small-town life in the early years of the century. The hero is an orphan adopted and trained by the humble sea-seller. The lad's slowness worries the good man, and after his death makes it hard for his widow to find a bride for the orphan — until the day the young man takes matters into his own hands and scandalizes the town by marrying the lecherous prostitute from an itinerant brothel.

However exotic and colourful the setting, the people are reassuringly, humanly familiar. Malian has a wonderful way with comedy: the wordless study of the various ruses adopted by the local as they pretend that they are not rushing to the brothel is in itself a comic tour de force. In Soviet terms the film is thoroughly subversive in its assertion of the right to individual happiness, and the hypocrisy of the community. The local authority didn't care when I was unhappy, declares the hero, "and now they condemn me". He defies them, and takes our hearts with him as he proudly drives his wife and stepmother around the town, the one liberated man in the whole bigoted place.

David Robinson

Opera



Robert Dean as Pelléas, Eléane Hannan as Mélisande

Pelléas and Mélisande

Coliseum

It was more than time to break the hallowed taboo against singing Debussy's masterpiece in English. Macer's words fit Debussy's vocal lines with a calculated precision that resists translation. They are not of epoch-making literary quality, but do need to be understood completely, if an audience is to be caught up in a fine performance of the piece, such as we heard at the Coliseum on Wednesday.

English National Opera had at last taken the plunge, and were staging *Pelléas and Mélisande* for the first time in their history. Most of us were hearing it sung in English for the first time, too. Hugh Macdonald, the translator of this version, being a musician himself, had simply made an apt rendering into English and fitted Debussy's notes to it, rather than the other way about. The new march of words and notes sounds perfectly stylish because it is musically. The words tell in performance with an immediacy that we also feel in the

ENO Ring. This *Pelléas* had more impact for me than any I have attended hitherto, though some improvements in word-stressing can still be made to the translation.

I understood most of the sung words, even though the *Pelléas*, a brave last-minute replacement, was not yet sufficiently mature of voice to project easily in such a big house. The orchestral music, played with a full complement of passion and atmospheric evocation, did not drown voices or words. *Pelléas* in English is not merely possible, it has happened, at least musically in a responsible Debussy style, an unexpected and major artistic achievement.

For a nicely stylish *Pelléas* in English most of us might have chosen a French conductor and producer. ENO chose Mark Elder, who acquitted himself with real distinction, and Harry Kupfer from the *Comic Opera* in East Berlin. Kupfer gave us a good cast of characters. Neil Howlett's Golaud is unusually sympathetic, a reasonable fellow driven mad by jealous frustration. Eléane Hannan, already an experienced Austrian *Mélisande*, has the fey, estranged quality, and the finesse of voice, for her most memorable lines and phrases. Hers is a potent, entrancing heroine, most touching. Her replacement *Pelléas*, Robert Dean, looked well in his dashing Byronic attire, and cut a romantic figure, even in his most awkward scenes. Walker's greedily authoritative Geneviève and John Tomlinson's deeply moving Arkel showed how much *Pelléas* has to give in English.

William Mann

London debuts

Daring choices

The oboist Peter Bree was more to be congratulated on an enterprising programme than most debutants. In Röntgen's Sonata No 1 a late Romantic vocabulary is employed, rather unusually, in music that is clear-cut in gesture, almost neo-classical, and suggestive of the open air. The performance was reasonably tidy, as was that of Britten's *Temporal Variations*.

This latter has rarely been heard since its 1936 premiere, and is well made but cold, like so much of this composer's music. Andriessen's Sonata was an engagingly energetic teenage piece; of little consequence, it gave rise to playing. The Duo Op 156 by Rubbra had its first London hearing, and proved to be a sombre yet rather insistent trifle.

Mr Bree's pianist, Paul Komen, offered two solos and showed himself to have most of the technique necessary for Rachmaninov's *Corelli Variations*. The final pages were undeniably impressive in their force and amplitude, but generally this performance concentrated on pianistic rather than musical aspects.

In a suite from Falla's *El Amor Brujo* Mr Komen's playing was spirited and colourful yet rather heavy in effect. He appeared to have a better appreciation of the room of this work than of the Rachmaninov, but his reading of it was less varied than ought to be possible with music that has so much rhythmic life.

It is unfortunate that nearly all cello recitalists feel they must include unaccompanied Bach, just as pianists seem compelled to play late Beethoven. Ksenija Jankovic showed fluently enough with the D minor Suite yet showed no particular insight or sense of musical shape. She was then joined by Nada Kocman at the piano for Brahms's Sonata Op 99.

This was a rough and ready performance revealing scant regard for the music's style; in fact long passages managed with their severely unbalanced textures to sound quite unlike Brahms. In Debussy's Sonata Miss Jankovic produced a more sympathetic cello tone, but the reading was too overtly dramatic, especially on the pianist's part.

Max Harrison

Theatre

Jonsonian fun

The Soldier's Fortune

Lyric, Hammersmith

At the time he wrote this extraordinary comedy Thomas Otway was (a) hard up and (b) embittered at being disbanded from the 1678 Flanders campaign. The result was a play that begins as a hack money-making venture and then, amazingly, catches fire.

There is no suspicion of what is coming in the opening scenes. As usual there are two gallants (disbanded officers), two girls, one jealous old fool doubling as husband and guardian, and one elderly bisexual pimp, all buzzing round their respective honey-pots, and out-punning each other's verbal ejaculations.

Then, at half time, when all the parties are due to collide in a Feydeau hotel, the action abruptly comes to a halt: the two ex-officers, Beaupré and Courtine, sit over their drinks and cast their minds back to the lost paradise of camp life, and when the plot resumes they return to it as starving wolves let loose on the mean pastures of civilian society.

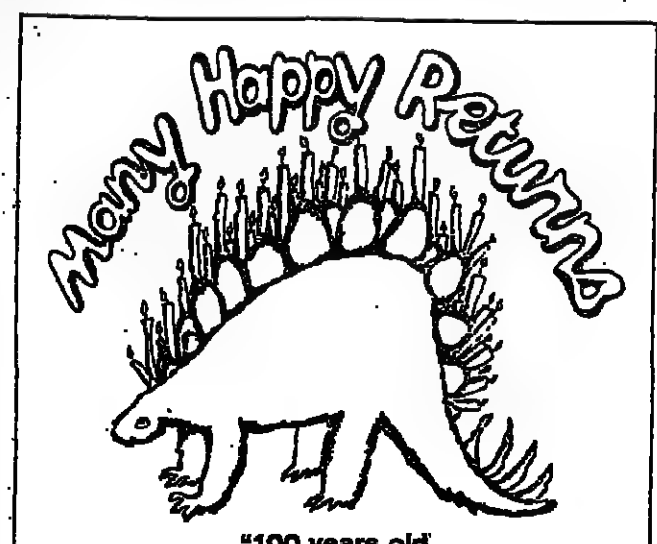
Artificial comedy gives way to drunken assault and attempted murder. The erotic playground opens up into the squalor and danger of the London streets. And civilian

and military characters alike break out of their stereotypes. The pimp is shown to have his own code of honour. The deceived husband emerges as a treacherous villain, prompting the key line: "I never met a cuckold yet but was a false rogue in heart." And the girls do more than wait for their lovers to settle the arrangements; when Courtine presents himself, drunk, under Sylvia's window, she leaves him dangling on a rope, and then, when he manages to break in, she ties him up and puts him through a scene of psychological torture.

It is not a neat play; but it could look a good deal better planned than it does in Sheila Hancock's Cambridge Theatre Company production, which gives the impression of being tied helplessly to a fast-moving vehicle. The first half, in spite of Hugh Padwick's deft exhibition of sense lechery, trundles a dead weight of misfiring gags and opaque narrative.

But when Otway picks up, so does the production. There is fine Jonsonian fun in the misfiring murder conspiracy, and the eruption of James Aubrey's Courtine as a fire-breathing brawler, putting Brian Murphy's trembling sword-stick aside with his campaign-seasoned blade, memorably fixes the moment when the masks fall away and life takes over.

Irving Wardle



"100 years old and still full of life"

Natural History Museum South Kensington

A film by Bernardo Bertolucci

Ugo Tognazzi · Anouk Aimee

The Tragedy of a Ridiculous Man

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Business News

THE TIMES Friday November 27 1981

Forecast of another five bleak years

By David Blake, Economics Editor

Britain faces another five years of stagnation and unemployment unless the Government changes its economic policies, according to the National Institute of Economic and Social Research.

The Institute, Britain's leading exponent of Keynesian thinking in economics, calls for a five-year forecast of the British economy, a picture of gloom only 11 per cent a year between now and 1986 and adult unemployment rising to 3.6 million.

The country's total output would not get back to the levels of 1979 until 1986, and living standards would show hardly any rise. Inflation is expected to stick obstinately

at around 8 per cent in spite of the continued depression.

The Institute accepts the claim by Sir Geoffrey Howe, the Chancellor, that the fall in activity has ended. But it expects output next year to be only 0.6 per cent higher than its level in 1981 and the fastest growth forecast over the next five years is 2.1 per cent in 1984, after which the economy starts to slow down again.

The forecasts are drawn up on an assumption about future government policies which may be too restrictive.

In particular, it assumes that public spending next year will be held to the limits announced in the White Paper published in the spring, even though the Cabinet yesterday agreed to allow it to be higher. It also assumes that the world outlook over the next five years will be gloomy.

Public borrowing is assumed to be brought down sharply,

falling to only £2,000m by 1986 and growth in the money supply is brought down to 61 per cent by 1986.

The Institute expects there will be big and rising balance of payments surpluses as a result of this policy, with a current account surplus of £4,500m next year and an average surplus of £11,700m a year between 1984 and 1986.

The review rejects claims by defenders of the Government that the current unemployment level is caused by structural problems or by workers pricing themselves out of a job.

It says there is also no evidence to suggest that unemployment is caused largely by increases in social security benefits reducing the incentive to work.

The review raises the possibility of a more formal incomes policy to reduce inflation, but comes out firmly in favour of inflation in any event.

World growth, page 20

UEI in £53.3m electronics bid

By Simon Proctor

A public-quoted group for a number of high technology companies, United Engineering Industries, yesterday made a £53.3m agreed bid for Micro Consultants, a privately-run electronics company which has grown rapidly in the past four years.

The deal, which is being effected through the issue of 2 million new UEI shares, will double the size of UEI. The share of UEI were suspended late yesterday on the stock market at 205p. The company has electronics interests and owns Cosworth the motor racing engine and components company.

Micro Consultants, founded 14 years ago by Peter Michael and Robert Graves, is based at

Newbury, Berkshire, and Kenley, Surrey. It has two subsidiaries, both private companies, based in California. The whole group employs about 500 people.

UEI is almost wholly-owned by Mr Michael, 43, and Mr Graves, 51, who will own 18.7 million under the deal.

Micro Consultants originally designed and manufactured computer interfaces and military equipment such as radar systems. It has since expanded into turnkey computer systems for customers like British Steel and Imperial Chemical Industries where computers are used for controlling production. It develops and markets television broadcast equipment through a subsidiary called Quantel.

The assets of Micro Consultants were £7.4m at the end of June and pretax profits for the group, including the American companies, were £3.36m. Profits before tax since 1977 of Micro Consultants United Kingdom operations alone grew from £326,000 to £2.9m by last June.

UEI made pretax profits of £3.2m in the year to last June. It employs about 1,000 people.

The relatively high price being paid by UEI for Micro Consultants reflects its involvement in high technology and rapid growth. Mr Michael, who owns 77 per cent of Micro Consultants, will become vice-chairman and joint managing director of UEI.

Price of petrol likely to stabilize

By Rupert Morris

Petrol prices are unlikely to rise by very much next year, Mr David Simon, BP Oil's director of marketing, hinted yesterday.

"I would not accept to see the same volatility in prices over the next year", said Mr Simon. He also revealed that BP was now operating at a profit on its petrol sales in spite of a failed attempt earlier this month to put prices up for the seventh time this year.

BP and the other big oil companies raised pump prices two weeks ago by up to 4p a gallon to about £17.2. But fierce competition persuaded BP to reintroduce discount to retailers of between 1.5p and 2p a gallon. The average price of a gallon of four-star was now about £16.9p, he said.

This price hike was followed by a steep rise in the value of the pound, from about \$1.83 to \$1.90, which instantly put most oil companies, including BP, back into profit on petrol sales.

"What has happened at the pump has been a real decrease in prices—good news for the consumer and bad news for our pricing strategy."

If the pound were to go much above \$1.90 further cuts in pump prices could follow, he said. A one cent variation in the exchange rate affects the price of a gallon of petrol by 0.2p.

After half-year losses of £35m, British Petroleum is expected to show a substantial loss for 1981, but it hopes to be back in the black in 1982.

One reason for optimism is the Saudi Arabians' success in uniting the other members of the Organization of Petroleum Exporting Countries (Opec) round the \$34 a barrel crude price, and the promise to freeze prices until the end of 1982.



Harvey-Jones: winner of race for ICI chair.

Harvey-Jones to lead ICI

By Ronald Pullen

Mr John Harvey-Jones will be the next chairman of Imperial Chemical Industries, Britain's largest industrial group. He succeeds Sir Maurice Hodgson, who retires after four years at the end of the financial year.

Mr Harvey-Jones, 57, is one of ICI's three deputy chairmen and has been closely involved in the restructuring of the group, particularly the running-down of the loss-making fibres division over the last two years.

ICI has been hard hit by the recession, high interest rates and the strength of sterling, which culminated in more than halved profits in 1980 and its first dividend cut in 40 years.

However in the race for ICI's chairmanship, one of the most important and influential jobs in British industry, Mr Harvey-Jones has been regarded as the outsider, with one of the other two deputy chairmen, Mr Bill Duncan and Mr Bob Easton, considered to be the likely successor to the £135,000-a-year post.

Many felt that Mr Harvey-Jones was both too outspoken and too radical in his approach to the group's problems to suit ICI's style of management. But with many difficult decisions still to be taken, the ICI board has clearly decided that this is the time for the decisive leadership style.

Business Diary, page 21

£20m fight back from Courtaulds

By Margaret Pagano

Courtaulds, the country's biggest textiles company and a leading exporter, yesterday announced a boost in pretax profits to £20.5m in the six months to September compared with £2.5m last year.

This follows one of the company's worst trading periods when last year it reported a net loss of £11.4m and revealed it had cut its workforce by more than 20,000 employees in 18 months.

The results came at the top end of market forecasts which, together with a return to a half-time dividend of 1.42p a share, saw the group's shares pick up 3p to 69p.

Profits after tax are £9.8m against a loss of £2.4m.

The improvement in the United Kingdom trading profit which rose to £1.1m against losses of £1.6m results from the group's action to close loss-making units.

Prices were virtually unchanged and the small gains in higher margins came from better productivity. Group sales in the period increased only marginally to £360.5m against £357.9m, his reflects a drop in turnover to United Kingdom customers to £388.8m compared with £414m, due entirely to a decline in volume. Sales overseas rose by £65m to £318m helped by the fall in sterling's value but exports fell significantly to £189m compared with £218m.

Courtauld's subsidiary, International Paints, increased its pretax profits by £4.7m to £16.5m on sales of £171m and a further improvement is expected over the second half of last year. The gross dividend is lifted more than doubled to 2.85p.

(Financial Editor, page 21.)

Pledge on control of BNOC

By Edward Townsend

Mr Nigel Lawson, Secretary of State for Energy, gave a clear indication last night that the control of the state-owned British National Oil Corporation, in which shares are to be offered to the private sector, would remain in British hands.

He emphasized the Government's view that there was no justification in concern that the BNOC's oil producing business, once it becomes operational, could be controlled by foreign interests.

"Our intention is to set up a British oil company and our plan will be to achieve a wide spread of ownership among the public. Furthermore, we have given an undertaking that the articles of association of the company in which shares are to be sold will contain safeguards against unacceptable changes in control."

Mr Lawson, addressing the London Committee of the Scottish Chartered Accountants, did not specify what he would regard as unacceptable, but he stressed that the North Sea oil fields, "are British and will remain British."

He added: "All oil from the North Sea must continue to be landed in the United Kingdom and its territories."

Secondly, the trading arm of the BNOC will remain wholly owned by the Government and through this the right to participate in agreements to buy up to 51 per cent of oil produced in the North Sea will continue unimpaired.

Mr Lawson said the Government's purpose in pursuing its oil privatisation proposals was not to diminish the benefits of the North Sea oil, but to enhance them.

Price chaos on the tin market

London's tin market was thrown into disarray yesterday by heavy buying of spot metal which entirely eliminated the previous day's £263 premium for three-month tin. Spot and three-month tin ended the day at £8,557.50 a tonne, a rise of £220 for spot and a fall of £93 for three-month tin.

The price of three-month tin collapsed in just 10 minutes of hectic morning trading. Market sources said that the same fund which bought more than £100m during the summer pushing up the tin price to some £200 above the consumer's consideration, was behind the purchase of spot metal.

But the motives of the fund, which is believed to be acting in the interests of tin producers led by Malaysia, baffled many traders. One theory was that in recent weeks the contango—the premium of forward over spot prices—had widened. By purchasing spot tin the holders of long forward positions were covering their risks.

The operation could have developed into a classic squeeze, with the fund cornering spot tin, thereby involving intervention by the London Metal Exchange authorities. This was avoided by changing tack in the afternoon and buying forward tin again.

One experienced commodity trader said: "It was very expensive to produce tin over the hours behind the operation." It was pointed out that if the buyers of tin, who purchased 8,000 tonnes on Tuesday alone, could force up the price every three months they eliminated the cost of carrying forward contracts.

French industry chief will quit over nationalization

From Michael Parrott, Paris, Nov 26

One of the captains of French industry is to leave the chairmanship of his company at the moment it is nationalized.

M. Ambroise Roux, aged 60, chairman of the powerful conglomerate Compagnie Générale d'Electricité (CGE) is the first head of a group to be nationalized to announce his intention of leaving. "My attachment to the spirit of capitalism and free economy have dictated my decision," he told the company's board.

Since he became chairman of CGE in 1970, he has almost symbolized the power of the French business establishment. On particularly good terms with President Georges Pompidou, he remained a force to be reckoned with under M. Pompidou's successor, M. Valéry Giscard d'Estaing. But since the socialists came to power he has not concealed his strong opposition to their nationalization programme.

M. Roux will be remembered for his political manoeuvring in the industrial field after his company lost its monopoly in



Roux: A force to be reckoned with.

the telephone business to Thomson-Brandt. The group moved into the main frame computer business (CII-Honeywell Bull) only to pull out again and concentrate on mini-computers and office automation equipment.

After failing to win a stake in the nuclear reactor business, he secured the monopoly of nuclear turbine orders for the subsidiary Alsthom Atlantique.

Lloyd's rift widens after committee member resigns

By Peter Wilson-Smith

The latest row at Lloyd's, the London insurance market, after the resignation of Mr Robert Kiln from the ruling committee, looks certain to precipitate the first by-election to elect a new committee member, will also add to the divisions at Lloyd's which have been deepened by controversy in recent years over the question of self-regulation and the role of the committee.

Mr Ian Fosgate, the outspoken underwriter who has championed the "divergent" clause in the Lloyd's Bill now before Parliament, and narrowly failed to win election to the committee earlier this month, has confirmed he will stand, although he was sure he would not be elected.

Mr Kiln, one of the most senior members of the committee, resigned because he was not elected a deputy chairman as he had expected.

He said yesterday that he was disappointed and felt let down by the result. It was correct to say that he had been "knifed in the back," Mr Kiln was adamant that he had been given no formal un-



Kiln: "Knifed in the back."

dertaking and no promises were broken, but he stood for a third term of office, he said, on the basis of certain expectations and it only became clear this week that none were likely to be fulfilled.

"The way in which this has been done leads me to feel that all is not well in the way the committee of Lloyd's conducts its affairs. There have been other occasions when similar shenanigans have raised my doubts," Mr Kiln said yesterday.

Japan agrees to limit car exports for another year

By Edward Townsend, Industrial Correspondent

Japan's motor industry has agreed to another year of voluntary restraint on the Japanese market which should limit its share of car and commercial vehicle sales to about 11 per cent.

The agreement was reached during three days of talks between leaders of the two countries' industries, and while it will be welcomed by the Government, it could generate further protests from British-owned importing companies. They have complained bitterly in recent years that there has been unfair discrimination against Japanese vehicles.

The terms of the agreement, which will be signed by Mr Takashi Ishihara, the president, with a new set of forecasts for the United Kingdom market for 1982. These expect a rise in car sales from 1.48 million this year to between 1.52 million and 1.55 million and in light vehicles sales from 165,000 this year to 170,000-175,000.

Japan's car production is likely to reach 11.18 million this year, which means it will remain the world's biggest car producer.

Since July, however, when the SMMT made strong representations to the Japanese, van shipments to Britain have fallen significantly. Japan has agreed to further action to prevent a further increase in van shipments next year. Mr Geoffrey Moore, the SMMT president, said that stocks of Japanese vans had been reduced substantially in recent months and as a result of the talks he did not expect a sales boom.

The SMMT presented the Japanese Automobile Manufacturers' Association, led by Mr Takashi Ishihara, the president, with a new set of forecasts for the United Kingdom market for 1982. These expect a rise in car sales from 1.48 million this year to between 1.52 million and 1.55 million and in light vehicles sales from 165,000 this year to 170,000-175,000.

Japan's car production is likely to reach 11.18 million this year, which means it will remain the world's biggest car producer.

Stock Markets
FT Index 536.1 up 0.1
FT 100 Index 64.36 down 0.34
FT All Share 310.80 up 0.39
Bargains 17,901

Sterling
\$ 1.9395 up 85 points
Index 91.3 up 0.1

Dollar
Index 105.6 unchanged
DM 2.2242 down 40 pts

Gold
\$ 409.50 down 75 cents

Money
3 mth sterling 13.141
3 mth Euro 5 111.124
6 mth Euro 5 124.124

PRICE CHANGES

Rises
Amstrad 12p to 240p
Bentley Exp 3p to 233p
Camling W 3p to 24p
Grindlay Hides 12p to 205p
Int Paints 10p to 202p
Maurin RP 10p to 205p
Mount Lyall 10p to 290p
Peko Wallace 29p to 343p
Newman Tools 10p to 281p
Rio Tinto Zinc 12p to 463p
Standard Chart 12p to 649p
Tosol 21p to 39p
Tunggal B 10p to 215p
Lis Scientific 10p to 435p
TV Ward 8p to 196p

Falls
Atlantic Rec 10p to 22p
CARL 7p to 241p
Carles Capel 3p to 143p
GI Petroleum 6p to 190p
Harrison Cros 13p to 762p
Health EC 10p to 295p
Johnson 31p 10p to 281p
Malaysian Tin 4p to 361p
Merrill Eke 5p to 424p
Plessey 4p to 34p
Poly Peck 2p to 38p
Reed Exec 4p to 77p
Rothmans Int B 4p to 396p
Shell Trans 4p to 396p

341 jobs to go at GKN

GKN-Sanket, the engineering company, is to make another 341 employees redundant at its plant in Telford, Shropshire, where unemployment is running at 21 per cent.

Hopes for increased sales in 1982 have been dashed by the latest forecasts, and in spite of introducing the Government's temporary short-time working scheme in July the company said it now had no option but to make 290 manual and 61 staff employees redundant.

New offer at Robb Caledon

British Shipbuilders has made a new proposal to try to settle the Robb Caledon yard sit-in, according to a union leader. About 90 men have been occupying the Dundee shipyard for six weeks since the corporation closed it.

Mr Jim Murray, leader of the Boilermakers' Society, said: "We received an offer from BS last night on what they anticipate might settle the issue."

Hongkong bank opens books

Hongkong and Shanghai Bank, whose bid for the Royal Bank of Scotland is being studied by the Monopolies Commission with the rival bid from Standard Chartered, has said it will open its books for inspection by the United Kingdom authorities. In a booklet being circulated to all government ministers, MPs and Scottish institutions, the Hongkong bank argues the logic of its bid and seeks to allay objections of the Bank of England.

BUSINESS BRIEFING

Ward fights off RTZ with improved profits

Thomas W. Ward, the Sheffield cement group which is the subject of a £91m takeover bid from Rio Tinto-Zinc, has brought forward publication of improved full year results in an attempt to discourage shareholders from selling in the market to the mining group. Pre-tax profits in the year to September 30 rose 15.3 per cent to £18.04m.

RTZ may buy further Ward shares today now that the seven day cooling off period required by the new takeover rules after dawn raids, has elapsed. RTZ which controls 14.9 per cent of Ward after a raid last week may now however buy shares at more than 10p offer price of 197p.

Yesterday the shares of all three companies rose sharply

because of rumours that Tuncel Holdings, in which Ward has 42 per cent stake and for which RTZ is prepared to make a full bid, would dawn Ward.

There were also rumours that RTZ itself might be the target of a similar operation by a oil company.

Ward shares closed at 196p, up 3p on the previous day. Tuncel rose 10p to 515p and RTZ 15p to 469p.

Mr Peter Frost, Ward's chairman, says that RTZ's bid is inadequate in regard to the company's expected future performance and that it undervalues Ward's stake in Tuncel.

Mr Norman Tebbit, Secretary of State for Employment, told a Conservative conference in London yesterday that the European Community directive on worker participation in companies was being opposed by the Government because it did not recognize the differences which existed in labour relations in the United Kingdom compared with some European countries.

"I doubt if we will for a

Selling its sole

The soaring price of Dover sole is the cause of a drop in profits of Wheeler's Restaurants. This time last year it cost £1.90 a pound at Billingsgate. Today, at £2.60, Wheeler is finding it hard to push the fish on to a dwindling number of customers and profits for the six months to October 2 last dropped 27 per cent to £17,962.

During that time, Wheeler's sold fish worth about £3m, virtually the same as last year, but its 14 restaurants had more empty seats, and with more than half its customers ordering sole as a main course, made less profit.

In the hope that sole will be cheaper soon, Wheeler's is paying an unchanged gross basic dividend of 2.2142p a share.

French nuclear programme

The French Government has adopted virtually the same nuclear programme for 1982 and 1983—after six months of vacillation—as that laid down by its predecessors. Work will start on only six plants instead of the nine originally planned, but they will be built on the same sites at Chinon 4, Cattenom 3, Chooz 1, Golfech 1, Nogent 2 and Peulay 1.

The plants to be dropped are Cattenom 4, Chooz 2 and Golfech 2, reducing the total capacity on which work is to be started to 7,400 megawatts from 11,300.

Under the Socialist plan presented at the beginning of this year, work was to have been suspended on five of these sites

Ferry fares to rise

Channel ferry fares are likely to rise between 12 per cent and 25 per cent next year, signalling an end to a two-year cut-price battle among the ferry operators. Mr David Benson, marketing director of P & O, said that cut-price tariffs were the ones where the highest increases would be seen.

Thomson Holidays and Thomson Cook, two of Britain's biggest package-holiday travel organisations, are to move from experimental trials to large-scale computerized booking of holidays at high street outlets. Thomson is spending £2m on expanding its system.

The decision marks the start of a battle among the big tour operators to eliminate delays at peak times caused by agents booking holidays by telephone.

Spending study on building

Increased public expenditure on the building of houses and other projects would give the Government a better value for money—among five economic options, according to a study published today. Policies for Recovery, examines a number of options open to the Government and their benefits to the economy. It was sponsored by the first leading building groups and undertaken by Cambridge Econometrics, economic forecasters.

The study looked at the effects of £500m being spent in turn on tax reductions, employment subsidies, expenditure expansion and capital investment programmes in housebuilding and roads and sewers and found that it was best spent on building projects.

(Private translation of the official French text)

UNION MINIERE

Société Anonyme
Registered Office: rue de la Chancellerie 1, Brussels
Brussels Register of companies at 13.77

NOTICE TO SHAREHOLDERS

On the basis of the minutes of the Extraordinary General Meeting of shareholders held on November 26th, 1981, the following resolutions were adopted:

1. Ratification of the Board of Directors' report on the activities of the company for the year ended 31st December 1980.

2. Ratification of the Board of Directors' report on the activities of the company for the year ended 31st December 1980.

3. Ratification of the Board of Directors' report on the activities of the company for the year ended 31st December 1980.

4. Ratification of the Board of Directors' report on the activities of the company for the year ended 31st December 1980.

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40. Ratification of the Board of Directors' report on the activities of the company for

By Tony Samstag

Ends; Environmental Data Services report 82: November 1981. Orchard House, 14 Great Smith Street, London SW1.



By Clifford Webb, Midlands Industrial Correspondent

But more pragmatic observers suggest a different reason. They believe that while he did not welcome the strike at Longbridge, Sir

But after the collapse on

If the strikers return

want without quoting unsuitable delivery times. And in a market where delivery from stock is now an everyday occurrence, motorists will no longer accept this."

By Frances Williams

"The relatively high levels of unemployment now, in prospect must be expected to have some impact on wage negotiations and hence on the inflationary spiral", the

IBM had originally proposed a 128-bit key, which really would be unbreakable by brute force for the foreseeable future, but the NSA reportedly made sure that DES ended up with only

have access to data files and how to protect individuals from misuse of the information held about them.

When security has been discussed, the question has been who should be respon-

NSA reportedly made sure that DES ended up with only 56 bits.

The second, more worry-

ing, possibility is that the DES algorithm contains an inherent mathematical weak-

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MARTINI

Only a very special lemon deserves Martini Dry. Only a lemon which can add something extra to that unique blend of the choicest wines and herbs. In short, only a lemon with a little more sparkle.

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BY THE FINANCIAL EDITOR

Courtaulds still facing a long haul

The market has been shooting in the dark with attempts to forecast Courtaulds' profitability this year after last year's net loss of £114m. In the event, pre-tax profits of £20.5m in the six months to September, compared with £2.3m last time, was at the top end of expectations.

But, tempting as it may be to see Courtaulds on the road to progressive recovery, the fact is that UK and European demand has not significantly changed over the last year. In the UK, then, it is largely a tale of cost saving benefits from the radical surgery and rationalization of the past couple of years. Although there is a trading profit of £1.1m against a loss of £1.6m last year, the fabric division remains in loss and a sales figure of £388m includes a 12 per cent volume fall.

The fibres and yarns division, although still loss-making should be profitable by the year end and further increases in profits from consumer products are expected despite the fierce price-cutting in the clothing retailing trade. Overseas profits have again risen, by £5m to £28m, helped by higher earnings again from South Africa, and a £2.5m on exchange rate gains. International Paints has boosted its pre-tax profits to £16.5m and will also improve over last year's second half.

Given that seasonal factors do not generally have that much effect, Courtaulds could make about £45m in the full year assuming there is no great change in sterling value. The return to a 1p net dividend came as some surprise, but on this basis the full year dividend could be 2.5p where, at yesterday's 69p share price, the yield would be 5.1 per cent.

Dawn raids Longer cool-off period needed

Today, the working committee of the Council for the Securities Industry starts to reexamine its rules on "dawn raids" in time for full Council approval in January. The seven day cooling-off period after a dawn raid formulated as an interim measure in September is the main topic on the agenda along with the more complex question of irrevocable acceptances to a bid.

On the first issue, the committee should extend the breathing space. A week is insufficient time to bring a full board together to discuss the bid, inform shareholders and employees and prepare a detailed defence. If the price of a longer-term span is the development of an arbitrage market with investors selling out to professionals seeking a quick gain, then this must be the price payable for a free market in shares.

Much more important, is the recognition that there should not be a totally unfettered market in the purchase and sale of companies. The interests of all shareholders, employees and maybe an important industrial sector, must take priority over the short-term demands of the share price. By extending the cool-off period, the Council would only be formally enshrining the spirit of the Takeover Code and help restore the image of the City which has been tarnished by recent market operations.

Thomas W. Ward Attempted defence

Thomas Ward hurried forward its latest full year figures to encourage its shareholders to reject RTZ's takeover bid. Profits at the pre-tax level show an increase of 15 per cent to £18m, but trading profits are down from £12.4m to

£10.2m and sales are 11 per cent lower at £232m.

Peter Frost, the chairman, stresses that the underlying trend in the group's non-cement side, is one of improvement however, with this year's second half being much better than last year's second half. Hence the 20 per cent increase in the dividend.

On the basis of these latest figures, RTZ's bid is eight times earnings per share, but that still looks generous in the circumstances. Tunnel, on the other hand, has reported a 39 per cent increase in sales and a 16 per cent increase in profits which has a better look of quality about it. This adds credence to arguments that Tunnel may be RTZ's ultimate target and the real horse trading has yet to begin.

Anglo American A slowdown in growth

After several very good years riding on the back of the gold price, Anglo American seems to be slowing down. True, the first six months pre-tax profits are £42.4m higher at £334m, but most of the increase came from Amcoal rather than gold mine dividends. Moreover, Anglo owns 51 per cent of Amcoal whose income is taxed, unlike the mine dividends. As a result, the tax charge has soared from £12.6m to £45.4m, leaving after-tax profits at £289m compared with £279m.

Amcoal also brings with it the obligation to the other 49 per cent of its shareholders. Outside shareholders have absorbed £50.9m against £16.2m last year, so that after including £152m (almost unchanged) as the share of retained profits from associated companies, attributable profits are down from £418m to £387m. Retained profits from associations are in fact taken to reserve, so earnings per share excluding retained profits fall from 115 cents to 104 cents.

Faced with this combination, shareholders might be better off investing directly in gold mines rather than going through Anglo, whose profits are likely to suffer further from a weak diamond market. For the first time since 1976 Anglo could be heading for a maintained dividend. The first half was held at 35 cents and last years full payout was 110 cents. But the shares rose 4p to 68p, reflecting some relief that the figures were not worse and that earnings per share and dividend cover have not been too diluted by the larger number of shares in issue.

Unilever's long-awaited proposals for paying different dividends to shareholders in The Netherlands and the United Kingdom are to go for shareholder approval at meetings of Unilever PLC, the UK end, and of Unilever NV, the Dutch side, on December 18. They affect a fundamental aspect of Unilever's constitution known as the Equalisation Agreement. The agreement was designed years ago to allow for equal treatment of the shareholders of the two arms of the company when it came to paying dividends. But in recent years, and especially earlier this year, it has been very difficult to operate equitably given sharp exchange rate movements, different rates of inflation in the two countries and the presence or absence of dividend restraint in one or other of the states. The proposed changes are such that the boards of both companies will have the power to declare differential dividends and establish equalisation and/or deferred dividend reserves should circumstances dictate. However, such a course of action, as the document makes clear, will only be used in extreme circumstances and would be rare.



Anthony Burgess (above) and his "Earthly Powers" which has given publishers Penguin Books their first taste of television promotion.



The selling of Anthony Burgess

Anthony Burgess is a shy man, easily embarrassed by publicity. It is an interesting irony then that he — or rather his latest work *Earthly Powers* — should be chosen by Penguin Books for its first paperback launch in this country by television advertising.

Burgess is in Monaco, well outside ITV's transmission area, so has not seen the commercial. He seemed more than a little relieved to be told that the advertisement — a visually arresting sequence in which a mysterious crucified wooden totem figure dissolves in fire to become a skull — was cleverly done.

He may shrink from publicity, but does not revile it. Indeed, he has a healthy pounds, shillings and pence approach towards his powers. "One has to judge it in terms of sales and whether it sells by the screen. I do think it's an excellent idea and a break for publishers and books," he says.

"I hear that sales are not doing too badly..."

And sales are doing rather well. Last week's list of top 10 best sellers saw *Earthly Powers* rise to number eight from tenth position. Indications are that the novel is about to sell out its first print run of 80,000 and could reach the 100,000 mark by Christmas.

Television air time is not cheap and *Earthly Powers* often sinks without trace, in commercial terms, so Penguin was taking a risk.

But it appears to have demonstrated that an imaginative visual image can be extremely cost-effective without in any way vulgarising the book's content.

Penguin's strategy, says Mr James Lake, head of promotions, was for a simple, low-cost commercial which he calls a toe-in-the-water experiment.

The advertising budget for *Earthly Powers* was £15,000. Mr Lake is reluctant to say how much it cost to produce the advertisement (which was shown eight times in all) but television experts consider that production costs must have been between £5,000 and £6,000. The cost of air-time for the late Sunday time-band which was used, is £1,670 for 30 seconds and £335 for 10 seconds.

This is a great deal of money but cheap for an advertisement in a medium which yields so much power and could open up an area for the promotion of "high-brow" books, particularly paperbacks.

Key to the Penguin campaign is the way it was aimed at a highly selective audience. Slotted between breaks of LWT's *The South Bank Show*, the commercial was directed at those AB (the television term for the top social economic grouping) viewers who stay up on Sunday evening for their weekly cultural diet.

20 years he is still not sure who his audience is. "Ultimately, I guess, it must be people like me who use the same vocabulary, share the same interests and the same view of life," has Penguin found those people? Mr Lake seems to think it has. The book was only launched on the last Thursday of October and the commercial shown on the first four Sundays of November. So to have nearly exhausted the print run is good going.

It is difficult to determine how much is due to the television commercial, but judging by the figures he has received from the book trade Mr Lake believes the gamble has paid off.

With the gross profit margins on paperbacks estimated at about 30 per cent, Penguin has certainly more than covered the costs of taking the television gamble. Keeping costs down was paramount. This is why LWT's commercial production unit was used. Penguin got five hours shooting — during which time they set fire to no less than 18 plaster masks to get the required effect. That filming was edited down to two advertisements — one a 10-second slot taken from the original 30-second version.

To keep the budget down, Mr Lake even refrained from having stills taken. They would have cost £200. He is enthusiastic about the possibilities ahead. "This was to test the ground and

learn how to use television language. Our real aim is Channel Four. This will have the similar upmarket BBC2 viewers which will be ideal." He is working with Penguin's advertising agency, Duncan Ogley Associates, on possible follow ups with new books in January and February.

Ogley is not new to TV advertising. The agency handled Corri books and sold the

successful *Mallen* series book by an advertisement on Southern Television.

"We are now analysing the results and are very keen on the overall concept," says Mr Anthony Ogley. "Channel Four should provide publishers with cheaper air time at high ratings. We are working on new ideas now."

Penguin's entire marketing strategy has changed over the last few years. Marketing expenditure, including advertising, is probably the same as it was three years ago at about 10 per cent of operating costs or about £1m a year. But it has a different emphasis and direction. Part of this is a complete revision of Penguin's Classics series and the English Library collection with the aim of making it the best in the world. Heady stuff — but with the probably the largest back list of paperbacks in the world (some 4,000 titles) Penguin has room to move.

Other changes have included use of the so-called "superstars" for poster advertisements. A huge poster for Robert Egan's *Manchu* is watching passers-by in Cromwell Road, and other sites in the West End are being considered.

This more aggressive policy was laid down by Mr Peter Mayer, the American brought in as chief executive three years ago.

Penguin's finances, like those of most publishers, have suffered ups and downs in the recession. Last year the company returned to profit of £242,000 compared with a loss of £381,000 in 1979.

The first-half traditionally shows losses but in the first-half this year the group reduced the loss to £573,000 against £1.6m last year of sales of £19.9m.

It is doubtful whether television will provide the boost for book sales as it does for Nescafe or Wheatena, but it does offer plenty of scope for a range of literature which has never been commercially aired.

Children's books could be simply advertised — so too could non-fiction popular works like David Attenborough's.

Would authors see a threat in glamorous commercials? This was Mr Burgess's only qualification.

If advertisers forced writers to fit their content, style and image to what they want to advertise, I can think of many novels which could easily be harmed by vulgar advertising. But at the same time I could imagine Shakespeare could be vulgarly, but successfully advertised."

French Kier-sets new records

J. C. S. Mott, F.I.C.E., F.I.Struct.E., Chairman reports on six months to 30th June 1981

- * Group profit — a record at £4.45M (1980 £3.75M)
- * Group turnover — a record at £101M (1980 £92M)
- * Interim dividend — up 16% to 1.1p (1980 0.95p) (payable 18th January 1982)
- * All four divisions traded profitably
- * Significant profit increase from 'Construction in Europe'
- * Substantial increase in turnover of 'Construction overseas'
- * UK order book maintained
- * Overseas order book increased to record level
- * Outcome for the full year is likely to exceed that for 1980

RESULTS (unaudited)	6 months to 30.6.81	6 months to 30.6.80	Year to 31.12.80
Turnover	£101M	£92M	£216M
Profit before tax	£4.45M	£3.75M	£8.6M
Dividend per share	1.1p	0.95p	3.25p
Earnings per share	5.5p	3.7p	13.4p

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Business Diary: New catalyst at ICI

Imperial Chemical Industries has thrown caution to the wind in electing John Harvey-Jones as chairman in succession to Sir Maurice Hodgson.

Given the way he speaks his mind both inside and outside the group's Millbank headquarters you could hardly call him the dark horse in the race between the three deputy chairmen which has been running for some months.

Nevertheless, Harvey-Jones was generally reckoned to be the outsider. For one thing, from his slightly wild hair style to his rather unconventional way of doing things, he does not fit the Civil Service mould from which ICI likes to choose its top brass. More importantly, he is well-known for the radical solutions he favours for ICI's problems in the 1980s, solutions for which ICI's committee-style of decision taking is not best suited.

But the ICI board, where Hodgson and Hawker Siddeley chief Sir Arnold Hall are thought to have been the decisive voices, has decided that Harvey-Jones is the right man to steer ICI through the difficult waters ahead.

Of the other two runners, Bill Duncan would have been the easiest choice but he was passed over last time in favour of Sir Maurice, and Bob Haslam, the third deputy chairman, could be said to lack the decisive leadership qualities that Harvey-Jones has shown recently in dealing with the problems of the fibres and petrochemicals and plastics divisions with which he has been most closely associated.

Whatever feathers the appointment might ruffle inside ICI, it was quickly welcomed



New top man Harvey-Jones (top left) takes over in April from Sir Maurice Hodgson (top right). Duncan (bottom left) and Haslam fell at the last fence.

three deputy chairmen in 1978.

For the last couple of years Harvey-Jones has been closely associated with the group restructuring. Sir Maurice has been pushing through, and in particular the plant closures on the loss-making fibres side. Here he has been credited with taking harsh decisions on plant closures rather more speedily than is usually the case in ICI.

He is also thought to have been one of the directors who pushed hard for the decision to cut the group's dividend for the first time in 40 years in 1980.

Harvey-Jones is keeping his head down before taking up the £135,000 a year post next April. But it is already fairly clear which directions he plans to develop in his four years as chairman. ICI is not happy with the top heavy structure at Millbank and further decentralization to the divisions is expected to be one of his first priorities.

Sir Maurice has started the ball rolling in cutting back capacity in high value added areas. ICI has bitten the bullet on fibres and many believe Harvey-Jones will move in on the plastics and petrochemical division where there have been heavy redundancies already.

The corollary of this is that, as Dow Chemical has so successfully done, ICI may move further away from bulk chemicals into specialist areas. There is also the feeling within Millbank that under Harvey-Jones ICI may spread its geographical wings away from its dependence on the UK and exporting where it is at the mercy of currency swings.

He joined ICI in 1956 and for several years was involved in work study in London and Teesside. His road to the top started in 1967 when he became a director of the heavy organic chemicals division (now the petrochemicals and plastics division), becoming chairman three years later. He joined the ICI main board in 1973, holding various appointments including the American operation, and became one of the

an unconventional path to the top. But he has moved up through the ranks, by ICI standards, at lightning pace. Born in 1924 and educated at the Royal Naval College, Dartmouth, he served in the Navy for almost 20 years with stints in submarines and then naval intelligence.

He joined ICI in 1956 and for several years was involved in work study in London and Teesside. His road to the top started in 1967 when he became a director of the heavy organic chemicals division (now the petrochemicals and plastics division), becoming chairman three years later. He joined the ICI main board in 1973, holding various appointments including the American operation, and became one of the

outside. Many City people felt Harvey-Jones would be just the sort of chairman who could be a catalyst for change. Even within ICI he is widely regarded as the most approachable of the top directors and among divisional chairmen he has been like a breath of fresh air for the way he says what he thinks.

Many of the divisional heads have felt for some time that what ICI lacks is tough leadership and the courage to take difficult decisions, and that for too long it has relied on its manufacturing strengths at the expense of developing the market skills its European and American competitors have capitalized on.

Harvey-Jones has followed

Redland holds pay out after fall

Redland, the building materials group, has not done as well as British Plaster Board, which had fat to lose, or Blue Circle with its big foreign profits helped by a cheaper pound. But Redland's range of roof tiles, concrete pipes, clay bricks, gravel, and ready-mixed concrete was resilient enough to produce pretax profits of £21m against £23m on sales up from £249.5m to £273.6m in the 26 weeks to September 26. The interim dividend is again 3.81p a share gross.

The shares duly rose 8p to 163p yesterday where the yield is 10.5 per cent.

Apart from the building recession at home, Redland

coped with an expected downturn at its key foreign subsidiary, the West German Bruns & Co., the sale of Redland Purle and a slump in housing and renovation in the United States. Higher prices helped, but the latest profits and loss account was bolstered in other ways.

The Redland Purle departure took annual profits of £2m pretax away with it in return for £20m cash, but it also helped to lower depreciation from £11.06m to £9.7m. Profits from land sales rose from £660,000 to £1.97m. Interest charges came down from £3.5m to £3.6m, again assisted by the Purle sale.

Redland has done some reor-

ganizing. It ran down and closed the loss-making Concrete Pipe Division in England, and sold at a loss its interests in a subsidiary and an associate. But this streamlining is treated as an extraordinary item of £3.61m, and taken below the line.

Mr Colin Corness, chairman, and his colleagues attack the recent report of the Monopolies Commission on the group's main product, concrete roof tiles. While Marley, the group has four fifths of the United Kingdom market. The commission suggested that the two groups made excessive profits, and that the Office of Fair Trading should monitor industry costs and profits.



Mr Colin Corness, chairman of Redland

Ultramar in US expansion

Ultramar, the petroleum group, has bought, through its offshoot, Ultramar America, the capital of Beacon Oil. Beacon was bought from private interests and the price, subject to final adjustments, was \$64.6m (\$33.5m). The takeover will double Ultramar's refining capacity in the United States and provide a base for expansion on the West Coast.

Brockhouse loses nearly £2m

Brockhouse of West Bromwich is too deep in castings and forgings, engineering and steel to escape the slump in the West Midlands. Modest prosperity in process plant and in business abroad was not enough in the year to September to stop group pretax profits of £757,000 giving way to losses of £1.96m. Sales fell from £72.5m to £58.9m.

The only gloss that can be put on these figures is that Brockhouse diversified trading with trading profits of £166,000

against £3.15m but they vanished inside interest charges of £2.1m—only £26,000 less than last time. The tiny trading profit was struck after redundancy payments of £249,000 against £43,000.

However, a recovery in profits is expected to be swift once it is under way. A five-year £10.5m investment programme has just been finished and profits are once more being made with the various divisions operating at anything between 55 per cent and 70

per cent of capacity. The shares hardened 1 1/2 to 29p yesterday. The year's high was 40p.

The market noted the news that the group is near to producing the Maxwell line transmission, a new concept in clutch and gearbox design.

In recognition of profits potential, Brockhouse is paying a token dividend of 1p a share net or 143p gross, against 4.25p gross, even though the inflation-adjusted pretax loss was £4m.

Recession knocks 600 Group in first half

For the six months to October 10 pretax profits of The 600 Group, the machine tool manufacturing and engineering group, fell to £1.5m from £2.4m. As the attributable level profits were virtually halved at £533,000 and earnings per share came out at 2.6p against 3.1p.

Sir Jack Wellings, the chairman, said yesterday: "The recession at home and in Europe affecting our products continued unabated. Trading was further depressed by a general destocking policy adopted by home machine tool merchants owing to high interest rates."

The group has bought a manufacturer of lorry-mounted cranes in South Africa during the half year and a new plant for the manufacture, servicing and mounting of cranes has been built adjacent to the company's factory near Johannesburg to meet a substantial increase in sales.

"We have formed a new company in the United States, Starline, for the distribution of the expanding range of Sparite saws from newly built premises in Kalamazoo, Michigan, and have begun building a plant in Singapore for George Cohen (Far East) to meet the increased market for the group and other products in South East Asia."

"Our exports are very strong. We continue to expand our investment overseas and the effect of this, together with the more attractive value of the pound, must assist our United Kingdom-based companies during these difficult times. We have made substantial economies and have been able to reduce our borrowings", he added.

Extel up 33 pc at half-time

Pretax profits of Extel, the communications and information services group, climbed by a third to £1.6m in the half-year to September 30. This was achieved on a turnover, including total advertising billings, 13.6 per cent greater at £45.5m.

The interim dividend is raised from 3.21p to 3.57p gross on the capital increased by the recent one-for-one rights issue.

New rule on depreciation

A failure to charge annual depreciation on buildings classified by their owners as investment properties will no longer result in an auditor's qualification—as long as the auditors agree with this definition.

This is the result of the latest statement of standard accounting practice, SSAP 19, from the Consultative Committee of Accountancy Bodies. The standard, Accounting for Investment Properties, defines an investment property as an interest in land or buildings which is held for its investment

potential, but not as one owned and occupied by a company for its own purposes.

The accountants say that the financial statements of businesses holding investments are more helpful to users if these investments are shown in the annual accounts at market value, and not at the usual basis of cost or valuation established in a previous period.

Without the standard, investment properties would have to be depreciated annually under the terms of the 1981 Companies Act.

Stock markets

Gilts slip after firm start

The hope remains that a cut in domestic interest rates may not be too far distant but yesterday, with Wall Street closed for Thanksgiving Day, investors decided to slow down the pace.

Prices opened firmer, with a few buyers and a few sellers around, but the odd bargain. However, by mid-day interest had waned and prices soon started to drift mainly through lack of interest.

Is someone doubting that GEC will produce that impressive set of figures next Thursday? Art 11p rise in the share price yesterday was cut by half to 774p when a line of 200,000 came on offer and only 70,000 were snapped up.

Nevertheless the tone remained firm with the Bank of England bracing for a further small reduction in domestic interest rates in order to steady the pound as prime rates continued to slide.

The FT index, which was 12 up at 10 am, closed 0.1 down at 526.1.

Interest was again centred on trading results and possible bid situations where the building sector was strongly highlighted. Downward bids were again numerous.

With the usual incentive from Wall Street missing, gilt prices were steady, despite the fact that a firm start in long prices closed all square, while at the shorter end losses of 5 1/2 were reported, despite the continued strength of sterling.

In blue chips the half-year figures from Courtauld, 3p up at 63p, were at the higher end of expectations although the dividend of 1p was generally discounted. International Paint, 8p per cent owned by Courtauld, which made a substantial contribution to profits, rose 10p to 203p.

Elsewhere, Fisons rose 3p to 136p, Rowater 2p to 212p and Vickers 3p to 156p. But Glaxo fell 2p to 430p, Unilever 2p to 616p, Distillers 2p to 180p and Tube Investments 2p to 104p.

On the bid from the news was mainly of rumours of possible dawn raids. Tunnel, after a promising set of figures, was reported to be preparing a defensive dawn raid on T. W. Ward, 8p higher at 196p, which in turn was said to be ready to bid 56 a share for Tunnel in the hope of fending off the recent bid from RTZ, 15p to 469p. RTZ, meanwhile, was thought to be a possible target of Shell Transport & Trading, down 4p at 396p. Hence the attention in T. W. Ward.

In the meantime, newcomer Exco was said to be taking a stake in Britannia Airways, up 3p at 514p after selling its 11.57 per cent stake in Mercantile House, down 15p at 430p, for close to £2m. And a United States bidder was reported to be waiting in the wings for Eagle Star, up 5p at 332p, after the Monopolies had cleared the acquisition of a substantial minority holding by Allianz.

In tobacco, Imperial Group rose 1 1/2p to 66p still benefiting from the views of brokers on the strength of sterling. Rowe & Pizzini who believe

the dividend may well be maintained, Rothmans' Int 'B' slipped 2p to 794p on profit taking after recent figures while Alfred Dunhill added a further 10p to 246p.

Tarmac rose 2p to 374p as its bid for Hoveringham was cleared by the Monopolies Commission with the price of the latter rising 11p to 226p. Better than expected figures lifted Redland 8p to 163p with French Kier 4p stronger at 884p.

Arthur Guinness rose 4p to 62p after details of its plans to sell the longstanding contractor Callard & Bowser's while Tootal rose 2 1/2p to 25p after selling its Australian interests.

Bid speculation also lifted Grindley's Bank 13p to 206p. Stous Romanis 8p to 73p, Breckon Cloud 9p to 143p, and Grant Bros 9p to 172p. Awarding today's annual meeting, British Car Auction rose 2p to 784p.

Equity turnover on November 25 was £137.12m (13,622 bargains). Active stocks yesterday according to the Exchange Telegraph were: Eagle Star, Wm Low, French Kier, T.W. Ward, Redland, Road Organisation, United Gas and Tootal.

Traded options: Total contracts rose to 2,323 of which puts made up 97. Attention was focused on Imperial Group on 1,117 and RTZ on 276 contracts.

Traditional options saw calls in Royal Bank of Scotland on 22p, Rothmans' International on 7p and Town & City on 2 1/2p.

Anglo American Corporation of South Africa Limited

(Incorporated in the Republic of South Africa)

INTERIM REPORT

for the six months ended September 30 1981

The following are the unaudited financial results of the Corporation and its subsidiaries for the six months ended September 30 1981 together with figures for the six months ended September 30 1980 and the year ended March 31 1981.

	Six months ended September 30 1981	Six months ended September 30 1980	Year ended March 31 1981
	R millions	R millions	R millions
Group profit before taxation	30.9	30.9	31.3
Taxation	3.4	2.9	6.1
Group profit after taxation	28.6	27.9	58.1
Outside shareholders' interest	50.9	16.2	54.5
Preferred stock and preference dividends	2.2	2.2	4.5
	53.1	18.4	59.1
Profit before share of retained profits of associated companies	235.5	260.6	527.0
Share of retained profits of associated companies	151.9	157.6	339.0
Profit attributable to ordinary shareholders	387.4	418.2	866.0
Ordinary dividends	79.0	79.0	248.3
	308.4	339.2	617.7
Number of ordinary shares in issue at end of period	225 855 761	225 642 844	225 742 998
Earnings per share—cents			
Excluding share of retained profits of associated companies	104.3	115.5	233.4
Including share of retained profits of associated companies	171.5	185.3	383.6
Dividends per share—cents			
Interim	35.0	35.0	75.0
Final			75.0

- Notes:
- For comparative purposes, the results for the six months to September 30 1980 have been restated on an equity accounting basis.
 - Further issues of shares between September 30 1981 and November 26 1981 being the date of declaration of interim dividend No. 91 resulted in a total of 225 866 473 shares qualifying for payment of the dividend.
 - It should not be assumed that the results for the year ending March 31 1982 will necessarily be proportionate to the results for the first half of the year for the following reasons:
 - Investment income and share of retained profits of associated companies do not accrue evenly throughout the year.
 - The realisation of investments fluctuates in accordance with policy decisions and market conditions.
 - Certain costs, particularly those incurred on prospecting, vary materially from period to period.
 - No provisions for the depreciation of investments and against loans have been included in the results to September 30 as they are considered only at each financial year-end.
 - Particulars of the Group's listed general investments and interests in associated companies are as follows:

	At 30.9.81	At 30.9.80	At 31.3.81
	R millions	R millions	R millions
General investments	1 374.3	1 899.3	1 270.2
Book cost	198.2	384.7	195.4
	1 176.1	1 514.6	1 074.8
Associated companies			
Market value	4 538.3	6 117.0	4 704.9
Carrying value	1 721.3	656.3	1 500.1
	2 837.0	5 460.7	3 204.8
Appreciation	4 013.1	6 975.3	4 279.6
Outside shareholders' interest therein	382.6	582.1	416.8
	3 630.5	6 393.2	3 862.8

For and on behalf of the board
H. F. OPPENHEIMER
G. W. H. RILLY } Directors

DIVIDEND NO 91 ON THE ORDINARY SHARES

An interim dividend (No 91) of 35.0 cents per share (1980: 35 cents) in respect of the year ending March 31 1982 has been declared payable on January 22 1982 to ordinary shareholders registered in the books of the Corporation at the close of business on December 18 1981 and to persons presenting coupon No 96 detached from share warrants to bearer. A notice regarding payment of this dividend to holders of share warrants to bearer will be published in the Press by the London Secretary on or about December 11 1981.

The ordinary share transfer registers and the ordinary section of the register of members will be closed from December 21 to December 31 1981, both days inclusive, and warrants will be posted from the Johannesburg and the United Kingdom offices of the transfer secretaries on or about January 21 1982. Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on December 21 1981 of the rand value of their dividends (less appropriate taxes). Any such shareholders may, however, elect to be paid in South African currency, provided that the request is received at the offices of the Corporation's transfer secretaries in Johannesburg or in the United Kingdom on or before December 18 1981.

The effective rate of non-resident shareholders' tax is 12.3839 per cent.

The dividend is payable subject to conditions which can be inspected at the Head and London offices of the Corporation and at the offices of the Corporation's transfer secretaries, Consolidated Share Registrars Limited, 62 Marshall Street, Johannesburg 2001, and Charter Consolidated P.L.C., Charter House, Park Street, Ashford, Kent TN24 8EQ.

London Office:
40 Holborn Viaduct
London EC1P 1AJ

November 27 1981

ITO tops £37m after nine months

International Thomson Organisation reports earnings for the nine months to September 30 of £37.4m on net sales of £699.5m, compared to £23.2m on net sales of £675.7m in the same period of last year. Earnings in 1980 were affected

International

by the losses of Times Newspapers, which in the nine months totalled £5.1m and are shown as a loss from discontinued operations.

This third quarter of the year showed a big jump in profits. Earnings for the quarter increased from £14.2m to £22.1m.

Earnings per share in the nine months were 26.8p compared with 20.3p in the corresponding period of last year.

In the United Kingdom, the third quarter reflected the outstanding success of the summer season at the travel group. Thomson Holidays sold a record number of package holidays.

Banque Bruxelles
Banque Bruxelles Lambert, which a year ago was forced to cut costs drastically, has reported doubled profits and said it will resume payment of a dividend, which will be 70 francs a share. Consolidated profits, which include the operations of the bank's French, British, Swiss and Italian subsidiaries, jumped by 117 per cent to 1,100m Belgian francs.

Business appointments

New managing director for BR division

Mr Philip A. Norman has become managing director of British Rail Engineering. He joins BR from John Brown and Company, where he was chief executive of the machine tools division, and succeeds Mr I. D. Gardiner, who became director of engineering headquarters, earlier this year.

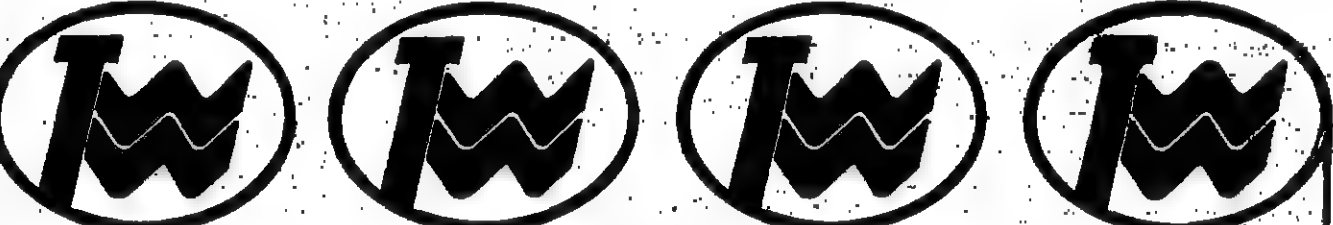
Mr J. C. Armstrong has been made assistant managing director of the British Aluminium Company.

Mr D. N. A. McLure is named vice-chairman of Beecham Products from December 1.

Mr P. D. Hancock is to join the board of Higgs Brewery. Lord Marshall of Leeds is now a board member of British Rail Property Board.

Mr Kenneth Walton has been elected a vice-president of ITC Europe Incorporated. He is director and general manager for ITC Components within ITC Components and Semiconductors Group.

Dr Alan Robertson, a director of ICI, has been made chairman of the British Nutrition Foundation.



To the shareholders of

Thos. W. Ward

REJECT RTZ

Do not sell your shares

Ward announces

15% increase in profits

Ward's profits before taxation for the year ended 30th September, 1981 were £18.0 million—an increase of 15%. Fully diluted earnings per share increased by 17% to 23.1p.

20% increase in dividend

Ward's board is recommending a final dividend of 5.2p (net) per share making a total of 7.8p for the year—an increase of 20%.

A profit forecast for the current year is being prepared; the board expects to be able to forecast a further increase in dividend.

RTZ'S BID IS UNWELCOME AND GROSSLY INADEQUATE. TAKE NO ACTION UNTIL YOU HAVE HEARD IN FULL FROM YOUR BOARD

This advertisement is published by S.G. Warburg & Co. Ltd. on behalf of Thos. W. Ward p.l.c.
The directors of Thos. W. Ward p.l.c. (including those who have delegated detailed supervision of this advertisement) have taken all reasonable care to ensure that the facts stated and opinions expressed herein are fair and accurate and each of the directors accepts responsibility accordingly.

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